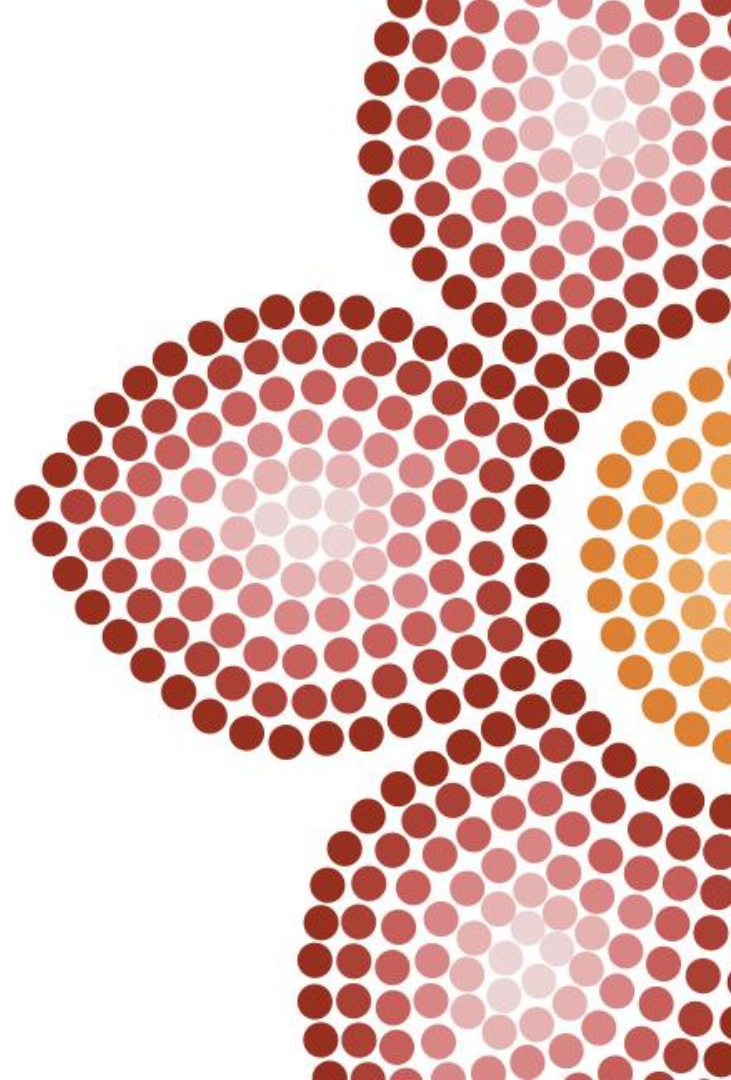


Lunch & Learn Workshop

The 5 W's of Buying a Home



Technical information

For audio/visual troubleshooting, visit:

<https://support.zoom.us/hc/en-us>

Please remain on 'mute' unless otherwise requested.
Cameras may be on or off.

Participate in group discussion or ask questions at any
time using the chat function.

Introductions: Who are we?

Metis Nation of Ontario

Housing & Infrastructure Branch

Housing Programs Department

Contact: housingprograms@metisnation.org

Métis Nation
of Ontario 



Introductions: Who's presenting?

Jessica Dusome

Financial Literacy Coordinator

JessicaD@metisnation.org

Shawna Maki

Housing Program Coordinator (MNO-HBC)

ShawnaM@metisnation.org

The slide features decorative floral patterns in the corners, composed of small colored dots in shades of red, orange, green, and blue. The main title is centered at the top.

Introductions: Tell me about you!

Poll questions:

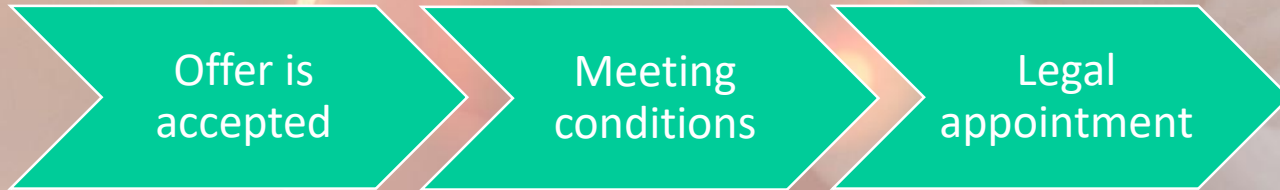
1. What region of Ontario are you joining us from?
2. Are you an MNO staff, citizen, or both?
3. When are you looking to purchase a home?

Today's Agenda

1. The 5 W's of Homeownership
2. Overview of MNO Home Buyers Contribution Program
3. Advantages of using the MNO-HBC
4. Steps to purchasing your first home
5. Q&A

The Who, What, Where, When & Why

- Who you pay your money to
- What amount you're required to pay
- Where each amount can come from
- When you make each payment

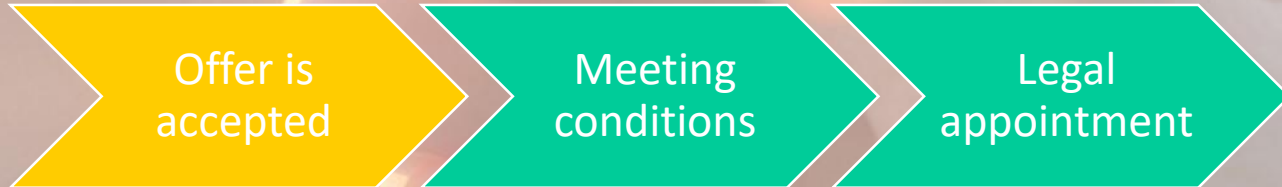


- Why each cost is required

The Costs of Buying a Home

Deposit

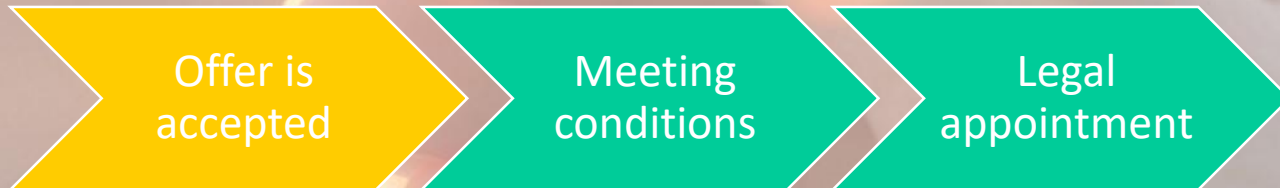
- Part of your down payment
- Amount is decided on by you and your Realtor
- Paid to Realtor's trust account when Offer to Purchase is accepted



The Costs of Buying a Home

Scenario: Deposit vs. Down Payment

- \$400k purchase price
- \$20k total down payment
- \$10k deposit, due when offer is accepted
- Remaining \$10k for down payment due at legal appt.



The Costs of Buying a Home

Appraisal

- May or may not be required by your mortgage lender
- If required, expect cost to be around \$350+
- Due to appraisal company or appraiser prior to or at time of appraisal

Offer is
accepted

Meeting
conditions

Legal
appointment

The Costs of Buying a Home

Home Inspection

- Buyer may choose to complete a home inspection
- Expect cost to be around \$500, if applicable
- Due prior to or at time of home inspection

Offer is
accepted

Meeting
conditions

Legal
appointment

The Costs of Buying a Home

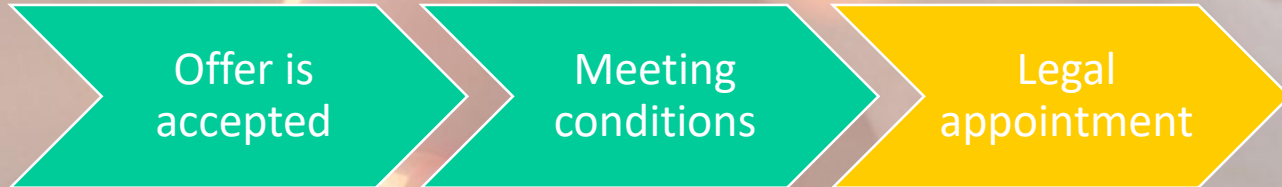
Down Payment

Purchase Price	Minimum Down Payment
\$500k and under	5% of the purchase price
\$500k to \$999,999	5% of the first \$500k PLUS 10% on amounts between \$500k and \$999,999
\$1M and over	20% of the purchase price

The Costs of Buying a Home

Down Payment

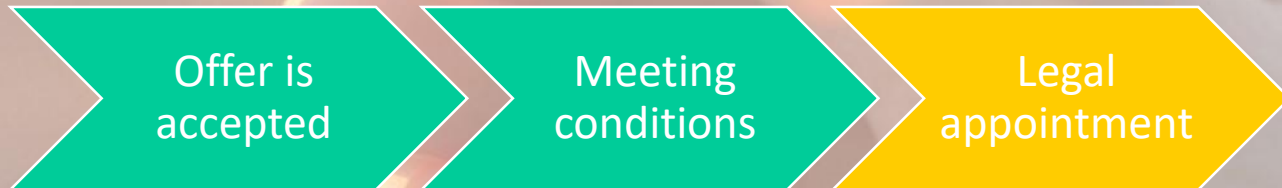
- This is the money you are putting towards the purchase of the home, less your deposit amount
- Due to your lawyer by bank draft or money order at the time of your signing appointment



The Costs of Buying a Home

Closing Costs

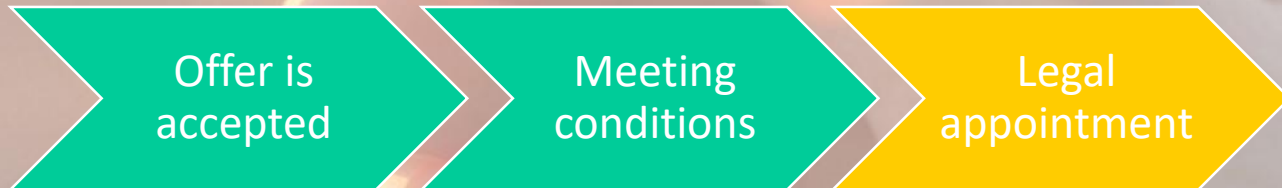
- These consist of legal fees, Land Transfer Tax, title insurance, PST on your Mortgage Loan Insurance (if applicable)
- Approximately 1.5%-4% of your purchase price
- Due to your lawyer at the time of your signing appointment



The Costs of Buying a Home

Closing Costs – Land Transfer Tax (LTT)

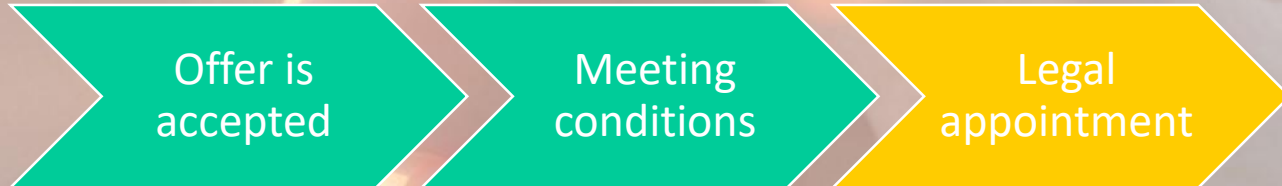
- Each time a home transfers title between two parties, payment of LTT to provincial (and municipal) gov't is triggered
- Cost is based on a marginal tax rate
- FTHBs can get a once in a lifetime rebate of up to \$4,000



The Costs of Buying a Home

Closing Costs – Legal Fees

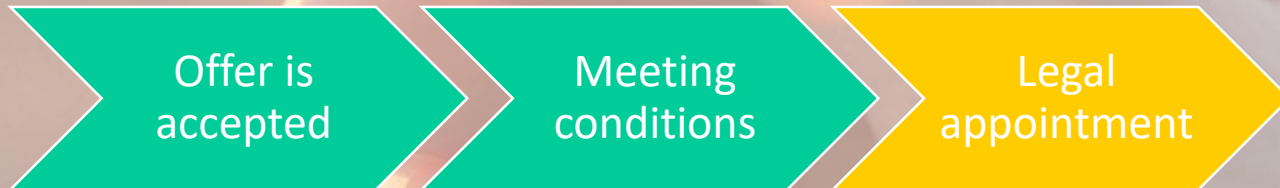
- Fees charged by your lawyer for registering the change in title on your property
- Usually includes Title Insurance cost
- Cost varies depending on area and individual firm pricing



The Costs of Buying a Home

Closing Costs – Mortgage Loan Insurance + PST

- If you purchase with a down payment of less than 20% of the purchase price, Mortgage Loan Insurance is required
- Mortgage Loan Insurance can be added to your mortgage
- PST is charged on this premium, and is due at legal appt.
- Other possible costs...



Costs of Buying: Scenario

Purchase price: **\$500k** | Down Payment: **\$25k** | FTHBs

Deposit: \$10,000

Appraisal: \$400

Home Inspection: \$500

Remaining Down Payment Due: \$15,000

Closing Costs (Est. 1.5% of purchase price = \$7,500)

Legal Fees: \$2,500

Land Transfer Tax: \$6,475 - \$4,000 rebate = \$2,475

PST on Mortgage Loan Insurance = \$1,520

Actual Closing Costs: \$6,495

Total Cost = \$32,395



MNO Home Buyers Contribution Program (HBC)

Contributes up to 15% of the purchase price towards
down payment

For first time home buyers with complete MNO
citizenship files

No-payment loan registered against the property

Qualifying for MNO-HBC

Primary applicant must meet the following criteria:

- MNO Citizen with complete file
- 18 years of age or older, residing in Ontario full time
- Be a first-time home buyer
- Provide minimum required down payment
- Be pre-approved for a mortgage by a preferred lender

Qualifying for MNO-HBC

Eligible properties include:

- Single-detached homes
- Semi-detached homes
- Townhouses/row housing
- Condominiums

Ineligible properties include:

- Mobile/manufactured homes
- New construction
- Vacant land
- Secondary homes/Vacation properties
- Rental units or properties

Benefits of MNO-HBC

- No payment, interest-free loan
- Negates need for Mortgage Loan Insurance (savings on insurance premium + PST)
- Allows for more flexible mortgage options
- Reduces overall mortgage size, lower monthly payment amount & less interest over time
- Support for FTHBs

Repayment of MNO-HBC

- Triggered when:
 - Home is no longer occupied as primary residence
 - MNO citizen is no longer on title
 - Default on terms & conditions of Mortgage Loan Agreement
- Voluntary repayment in full at any time

MNO-HBC: Comparing Costs

Buying without MNO-HBC

Pre-approved for \$520k

Purchase price of \$500k

Minimum down payment of \$25k

Total DP amount of \$25k

Mortgage insurance of \$19,000

Total Mortgage of \$494,000

Interest rate 4.5%

Monthly payment of \$2,735

Buying with MNO-HBC

Pre-approved for \$520k

Purchase price of \$500k

Minimum down payment of \$25k

Total DP amount of \$100k

Mortgage insurance of \$0

Total Mortgage of \$400,000

Interest rate 4.7%

Monthly payment of \$2,259

10 Steps to Buying a Home



If you're looking to take advantage of the MNO Home Buyers Contribution Program...

Step 1: Apply online

Step 2: Attend the Financial Eligibility meeting and receive your Conditional Approval Letter (CAL)

10 Steps to Buying a Home



If you're looking to take advantage of the MNO Home Buyers Contribution Program...

Step 3: Obtain pre-approval from an 'approved lender' within 30 days of your CAL

Step 4: Enter into a binding Agreement of Purchase and Sale within 90 days of your CAL

10 Steps to Buying a Home



If you're looking to take advantage of the MNO Home Buyers Contribution Program...

Step 5: Submit your Agreement of Purchase and Sale to your mortgage lender and MNO-HBC

Step 6: Satisfy all conditions outlined in your APS and update mortgage lender and MNO-HBC

10 Steps to Buying a Home



If you're looking to take advantage of the MNO Home Buyers Contribution Program...

Step 7: Arrange for legal representation and provide their contact information to your mortgage lender (and MNO-HBC if applicable)

Step 8: Arrange for home insurance on your new home

10 Steps to Buying a Home



If you're looking to take advantage of the MNO Home Buyers Contribution Program...

Step 9: Attend your signing appointment with your lawyer or solicitor

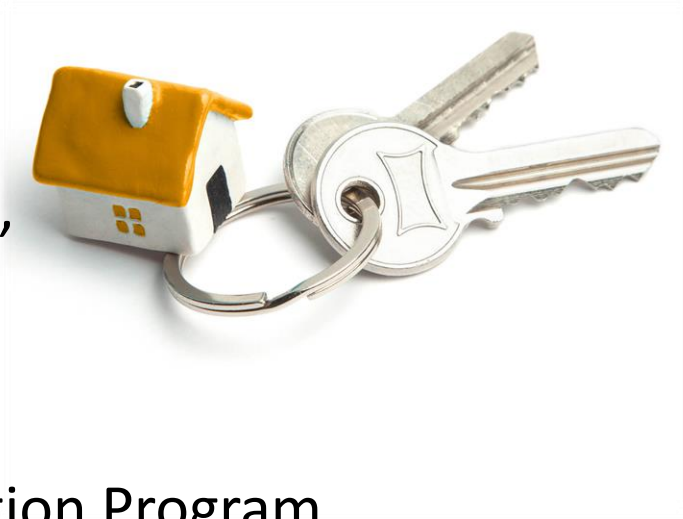
Step 10: Take possession of your first home!

CONGRATS HOME BUYER!

Conclusion

Today we talked about...

- The who, what, where, when, and why of buying a home
- General info and benefits for MNO Home Buyers Contribution Program
- 10 steps to purchasing your first home



Resources

[MNO Home Buyer's Contribution Program](#)

[MNO-HBC FAQ](#)

[Costs of Homeownership](#)

[Down Payment Savings Resource](#)

[Programs available for First Time Home Buyers](#)

[Down Payment Calculator](#)

[Land Transfer Tax Calculator](#)

[Mortgage Loan Insurance Calculator](#)



Thank you!

QUESTIONS?



For more information on the
Financial Literacy Program or
MNO-HBC, contact:

Housing Programs

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housingprograms@metisnation.org

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