Your Buyer's Guide

A step-by-step Guide for Buying a Home in Calgary & area

& Real Estate with a creative eye, practical perspective

a genuine commitment to the people behind the transaction.

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CIR REALTY

Leading REAL ESTATE COMPANIES OF THE WORLD



About Me:

Real Estate With A Different Perspective

Buying a home is about so much more than picking a property that looks nice. It's about understanding the property, recognizing what makes it valuable, knowing what value is in the property, and creating a strategy that gets you where you want to go.

That's where my background gives me a unique advantage.

I have spent much of my life around homes, construction, renovation and design. I've worked framing houses with my father, a home builder in Central Alberta. I worked as a draftsperson for a renovation company right here in Calgary where I designed kitchens, bathrooms and custom cabinetry. I also started a cleaning company over 13 years ago, and this helps me to see how the home would work day to day for real people. I am also an artist so I have an eye for creativity, potential and aesthetics.

When I walk through a home, I don't just see the rooms. I see possibilities, details, functionality, craftsmanship and the things that can make a buyer fall in love with a property but I also notice the things that may create hesitation and need to be addressed. I can help you decide where your time and money are best spent if you purchase a property and want to make it your own and if you are wanting to keep re-sale in mind.

More Than Just Market Knowledge

As a REALTOR® with CIR Realty, I bring together my hands-on understanding of homes with current market knowledge, professional resources and the support of an experienced brokerage.

My approach is personal and practical. I believe you deserve honest advice, clear communication and a strategy built around your goals, not a one-size-fits-all formula.

Whether you are downsizing, upsizing or buying your first home through this guide and moving forward I will help you understand:

- What is needed before you even look at homes
- How to narrow down your search criteria
- Which properties are worth putting in a little extra work and which aren't
- Setting up an auto search email and what that does for you
- Is that property worth getting excited over?
- How to navigate offers, negotiations and conditions
- What to expect throughout the process, so there are fewer surprises

A Realtor® Who Understands Real Life

Aside from Real Estate, I am also a wife and a mum of four, with one teenager still at home. I understand that a home ins't simply an investment or a collection of rooms. It's where life happens.

I know that buying a property can come with a lot of moving pieces, emotions and decisions. My goal is to make the process feel organized, informed and as stress-free as possible while still being a strong advocate for you.

My Promise To You

When you work with me, you get someone who will look at your home with both a real estate lens and a builder/designer's eye.

I will tell you what I see, explain why it matters, and help you determine where your efforts will have the greatest impact.

Buying a home isn't just about the property.
It's about helping you move confidently into whatever comes next within your budget.

The Initial Steps

Step One: Get Educated

The internet is a great resource to get more information about the current Calgary market. Websites such as CREB.com or my website loganmccallum.com have statistics you can look at. However, some aren't stats people, so further education may be needed.

There are so many books written on real estate. If you have the time to read, check out public libraries and book stores however try to stick to books that pertain to your country and city or town you are buying in as laws and procedures can change drastically from country to country and province to province.

The best bet is to book a consult with a Realtor® to understand how the current real estate market will affect your situation. Within Calgary, from location to location, property style to property style, the market changes. I would love to chat and help. Book here.

Step Two: What can you afford?

Before even searching realtor.ca I strongly recommend knowing your budget. Talk to your lender or a mortgage broker to find out what you can truly put down on a mortgage, and the mortgage amount and style that works best for your situation. Knowing your budget helps you to search properties within that, and avoid disappointment. I don't want my clients to ever feel they are house poor and regret their purchase, so searching and then buying within a true budget is always the best practice. Asking your lender or broker for a pre-approval followed by a commitment letter down the road is encouraged. If you need to sell your property as a condition of your purchase, both your lender or broker, and your Realtor® need to know this. It is a common condition, but requires different paperwork so fore knowledge is best.

Step Three: Buyer's Consult

Let's schedule a sit down, face-to-face meeting. Some people feel this is only needed if you are selling a property, but don't skip this as a buyer. It will be virtually impossible to represent you in a purchase without having a discussion about things like motivation for purchase, conditions to the purchase, parameters of your search and time frame of the transaction. The real estate market is constantly changing so you need to know where you stand so you can change with it and to come up with an strategy moving forward.

In my business model, your privacy and security is very important to me. I also want you to be very clear as that what my role and responsibilities are as your representative, as well as your role and responsibilities. For this reason, as soon as possible I like to review the *Consumer Relationship Guide* and the *Exclusive Buyer's Representation Agreement*. When these documents are reviewed and understood, and then signed, any information you share with me regarding your motivation, budget or family situation will be confidential. For more information about this, contact me, or read the *Consumer Relationship Guide* here.

After this meeting, I will email you an introductory email, and it will include a form I use to compile your search criteria. The faster you can fill this out and return it, the faster we can move on.

Step Four: Get Searching!

Now that the boring stuff is done, let the fun begin! First up I will create an auto search email. This will have the search criteria you gave me as the parameters of an email that will come to you either daily, weekly or monthly. It can send you listings that meet your criteria when they come on MLS, before they can be searched on Realtor.ca.

You will receive a personal portal email which will have the properties matching your criteria listed. You can look at the MLS listings for each and save the ones your like. When you have some you want to see, you will let me know and I will book showings for you. We can book these showings around your schedule, and try to do a few back to back to make best use of time.

During these showings, it is important to respect the owners and their home and belongings. You are free to look through rooms, closets and even test out cabinet doors and drawers. It is not okay to search through cabinets and drawers or the owner's private property. It is also not recommended to take pictures or videos of the property or use the facilities as it is a private residence.

Step Five: Making an Offer

It is so exciting when you find a property you love that meets all your criteria. It is a highly emotional time, so I will be there to make sure we don't get swept away in these emotions and are able to start the negotiation process with a logical and calm head. We will prepare an Offer to Purchase. There are a few steps that have to be taken when you write an offer:

1. **Property Research** - This is where I come in. I will pull Title and other documents to get as much information about it's condition as possible. I will investigate the selling history of the property and where the asking price is relative to the market. To do this I will assess the active properties on the market and recent sales that are similar to the property you want to make an offer on. This information is what will be mostly used to determine the offer price.

2. **Terms** - Terms are the clauses that make up the contract to purchase. These are the items that are agreed to and will be upheld, otherwise there is a breach of contract, at which point either side can back out of the contract. In addition to the standard terms that we will go over in the contract when preparing the offer, you can add in whatever else you need to, however these are all open to negotiation between you and the seller, so they need to be reasonable.

3. **Conditions** - Conditions are clauses in the contract that *must* be fulfilled in order for the transaction to proceed. Typical conditions are for a home inspection or financing. The buyer or seller is then given a few days to fulfill the conditions (typically 7 - 10). During this time, the property status on MLS is pending or conditionally sold. If something happens where either the buyer or seller are not satisfied with the results of their attempt to satisfy their conditions, then they may back out of the contract at no cost and with no further obligations (deposit cheques will be returned in full). Conditions are most commonly for the buyer, but you may have a seller's condition as well.

4. **Deposits** - In order to write an offer, you will need some available funds for a deposit. Each brokerage has its own requirements for how these funds can be deposited, but a bank draft is usually used, but wired funds are common as well. This deposit is initially a show of good faith in a transaction, and is fully refundable if the conditions on the purchase aren't removed. After the conditions are satisfied and removed in writing, the deposit becomes the seller's security that you will complete the purchase, so it is non-refundable from this point on. Before making a deposit, I encourage my clients to get a commitment letter from their lender.

5. **Price** - There are only two things that are negotiable in a real estate transaction, price and terms. Once we know what terms and conditions you would like in the contract, and we have completed your property research, we can now effectively determine the appropriate offer price.
The offer price will be determined based on all variables affecting this specific property. A few are:

What terms do we need?
How many offers are on the property?
How long has the property been on the market?
What type of market are we dealing in?

If one of the conditions to your purchase is the sale of your current home, we will sign an addendum that makes the purchase contract contingent on selling your current home by a specific deadline. If your home doesn't sell by that deadline, you can walk away from the purchase and get your deposit back. However, during the time up to the deadline, the sellers essentially have an escape clause. They are allowed to keep marketing their property until you sell your home and waive that condition. If they get another offer, they can force you to either waive the condition within a time frame, usually 24-48 hours and buy immediately, even if other conditions aren't waived, or back out so they can take the other offer. It can feel unfair, but it protects the buyer from paying for two mortgages at once, and protects the seller from losing out on a potential buyer if your home doesn't sell in time.

Once the offer to purchase is written and signed, I will present the offer to the seller through their agent if they have representation. If they do not have representation, this affects a few things, and will be covered in our review of the Exclusive Buyer's Representation Agreement. Presenting the offer will typically happen one of two ways:

First, if the seller is available, the offer can be presented by us in person or directly to the owner of the home. The listing agent will be there to represent their client, however this is a good opportunity to meet the seller and present your case in person.

Alternatively, and most commonly, we will submit it via email. I will give the listing agent a call or text declaring our intent to submit an offer. At this time I like to create a rapport with the listing agent, and see if I can find out an information to help us with our negotiation process. This is followed by an email to the listing agent containing our offer to purchase contract to be signed either in person or via e-signature.. They will review it with their client and then reply either accepting, or countering our offer.

During this stage we will go back and forth negotiating over terms and price with the ultimate goal being both sides are happy with the outcome. Win - win is the best outcome.

Step Six: Satisfying Conditions

Once the offer is accepted, it is time to proceed with satisfying your conditions. As your Realtor®, I will be involved to make this time as stress free and smooth as I can.

This process usually involves booking a home inspection and I can suggest companies to choose from and trades for quotes if there are issues with the inspection. We will be booking the dates for these

according to you and the seller's schedules and then I will arrange access to the property and attend the inspection along with you.

It is also a time to be getting all your personal information and the property information to your mortgage broker or lender so that you can be assured that your finances are in order and you can feel confident you can cover the purchase price and all closing costs.

These closing costs are generally 1.5% to 4% of the purchase price. They may include:

- Legal fees ($800 - $1900)
- Land Title Registration ($50 - $5 per $5000)
- Home Inspection ($400 - $700 paid during offer phase)
- Condo Document Review ($200 - $800 if a condo)
- Home Insurance set up ($1200-2400/yr required by lender)
- Property Tax Adjustments ($300 - $2000 reimbursing the seller for pre-paid taxes)
- Appraisal Fee (300-$600 may be required by lender)

Plus, if you buy a newly built home:

- GST 5%
- New Home Warranty Fees ($1700-$2000)

If your downpayment is less than 20% of the total purchase price, you will need mortgage default insurance.

Whatever the condition is that we have included in your offer to purchase, when the needed information is gathered and a decision to proceed, or not, is made, you will sign either a Waiver of Conditions or Non-Waiver of Conditions.
If you waive the conditions, the sale is considered "firm" and the property is then marked as "sold" on MLS and other advertising.

Congratulations on your new home!

Step Seven: Preparing for Possession Day

Usually possession day comes 30 - 60 days after signing the final Purchase Contract, however sometimes it is faster. The following items are needed as quickly as possible.

Real Estate Lawyer - I encourage my clients to contact a lawyer of their choice during the offer step, so they are aware of who you are and the transaction coming up. Now that your purchase is firm, we have to know who you are using so we can share all the paperwork with them, even before you meet with them in person. I can recommend a few lawyers to choose from if you don't have anyone in mind. In this case I will send an introductory email with you CC'd so they have your name and contact to start the process. I will stay involved only to share required paperwork, but the lawyer takes the lead in the actual money exchange and signing of needed papers. About a week before possession day you will be meeting with the lawyer and you will need to provide proof of insurance for the property, the balance of your down payment, and closing costs incurred.

If your down payment is not readily available, make the needed arrangements now to obtain it. For example if it is not liquid and is tied up in stocks or needs to be moved, it is important to give the banks the needed time to transfer. This should be discussed with your mortgage broker or lender during the condition step, when you are deciding to waive financing.

Movers - If you are booking movers or a moving truck, book early. Possession dates are often on dates that are busy with other movers as well. Also, it's important to remember, although the possession day is stated to be at a certain time, usually noon, it is common for the keys to be released later if there are any stalls on the lawyer side. This could include holidays, waiting on an RPR, unforeseen issues with money on one side or the other, among other things.

Insurance - At your meeting with your lawyer, they will ask to see a copy or proof of insurance, as it is required for your mortgage. No insurance policy means no money will be transferred. This usually just requires a phone call or survey. Have your copy of the MLS listing with you and all the specifications available and be prepared to answer questions regarding the age of the house, furnace, electrical system and the roof.

Utilities - When you take possession it is important to have already changed the utilities over to your name and new address. This includes phone and cable, if you have that, as well as internet, power, water, and gas services. At the same time, cancel the utilities at your old property when you will be moved out. If you are currently renting, discuss this with your landlord. If you are currently the owner, and the new owners don't get possession right away, you must keep electricity and natural gas connected to prevent damage, and inform your home insurance provider that the house will be empty.

Mailing Address: Lastly, and least favourite of all, is changing your mailing address. Gather any bills you get by mail, or other physical mail you get and call and change the mailing address, or go on their website. Don't forget to call or go online with CRA, banks, Health Care and credit cards to change the mailing address with them as well. Just in case you forget someone, it can be a good idea to forward your mail to you new address as well, so as mail comes in that has been forwarded, you can change the address they have on file. This is the website to do so:

https://www.canadapost-postescanada.ca/cpc/en/personal/mail-forwarding.page

One other thing to remember. You should change the address on your driver's license and registration, if moving within Alberta within 14 days, or if you relocated from another province or country, within 90 days.

Step Eight - Moving Day!!!!

Usually possession should happen at 12:00 noon on the agreed upon day in the purchase contract. The seller's lawyer will contact me to notify me when the keys can be released to you, along with instructions to access the property. Sometimes, I may be able to negotiate a walk-through of the property up to 24 hours before. If during that walk-through we find any problems, I will tell your lawyer who will then advise on what we should do. It is a good idea not to schedule your entire move right at noon, as stated before, as small delays aren't uncommon.

This is an exciting and stressful day, so planning the move in advance is a great idea.



Congratulations on your new home!