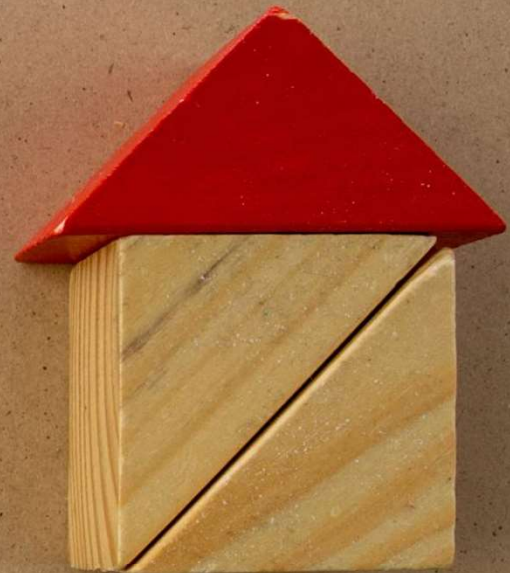


REAL ESTATE SEMINAR

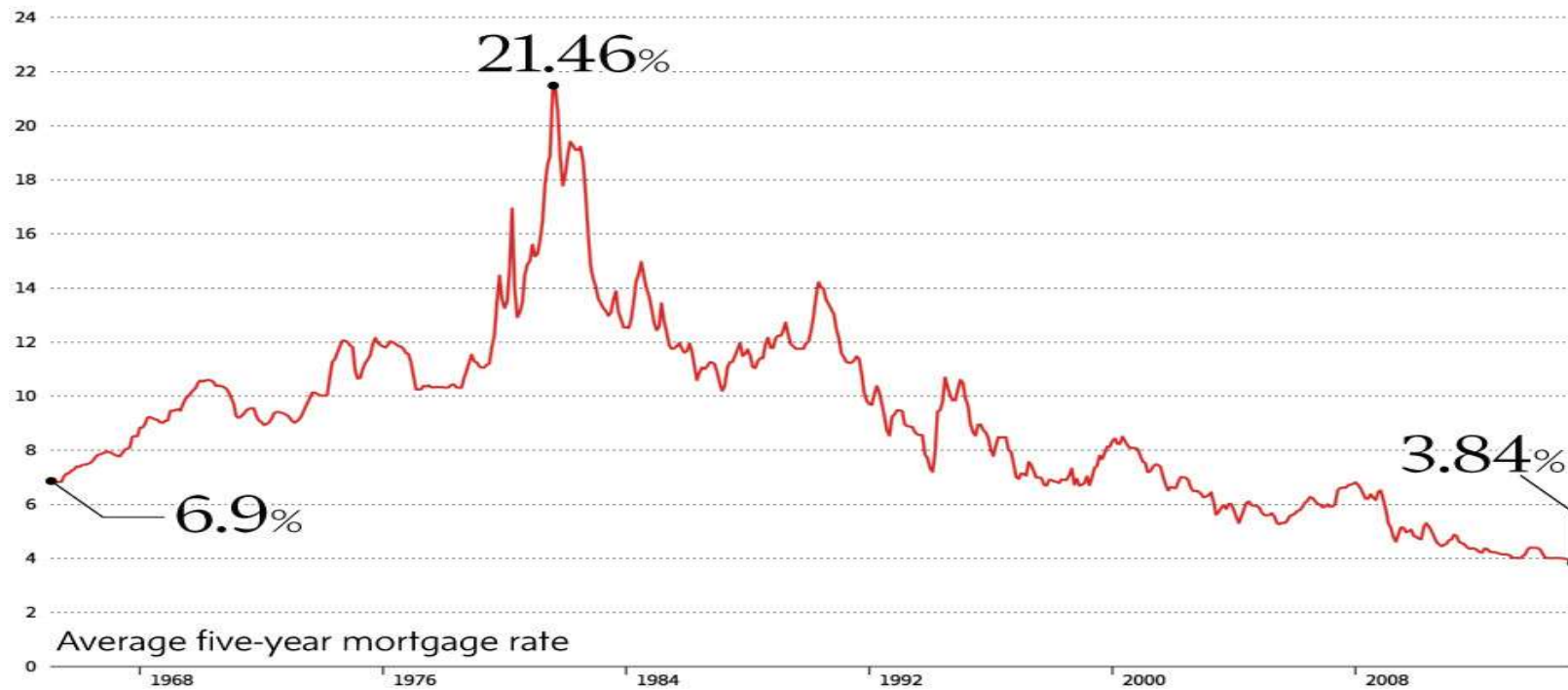
Ravi Chadha
Homeland Realty



1980 Interest rate spike

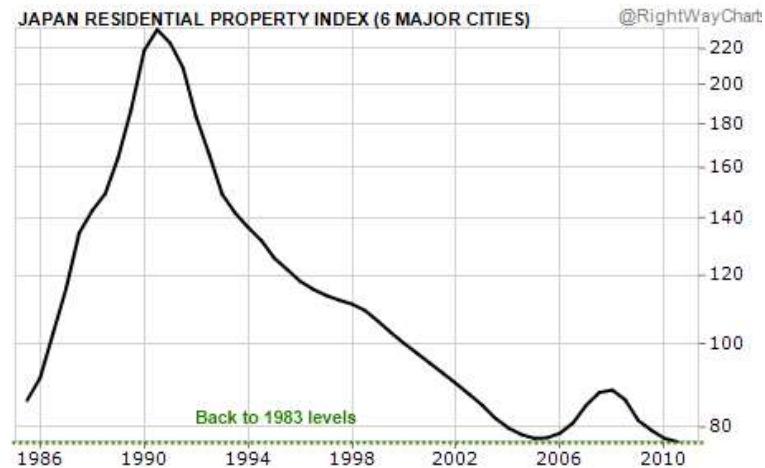
Source: Murat Yukselir/The Globe and Mail/[Richard Blackwell](#)

Published May 13, 2015

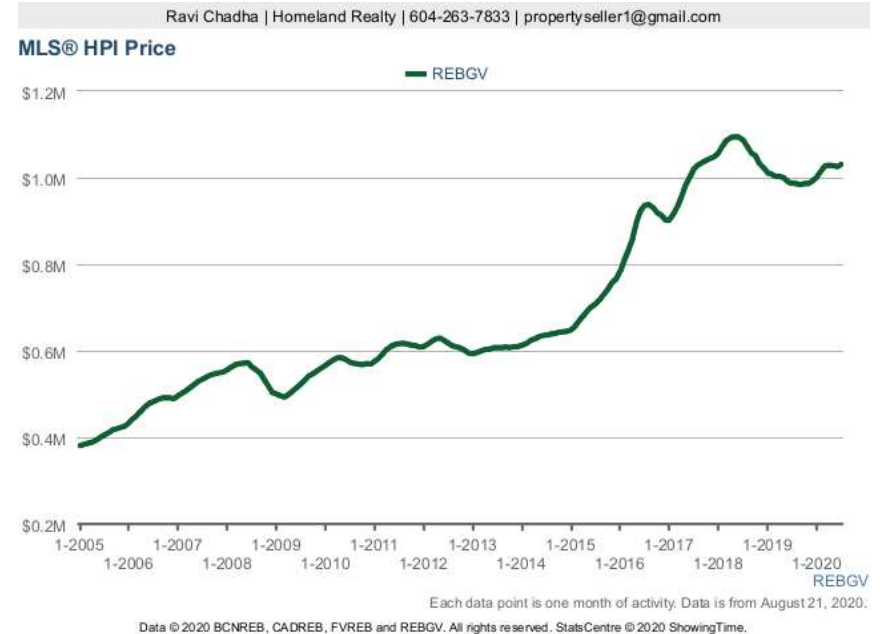


Comparison to Japanese Market

<http://www.doctorhousingbubble.com/japan-real-estate-bubble-home-prices-back-30-years-zero-percent-mortgage-rates/>



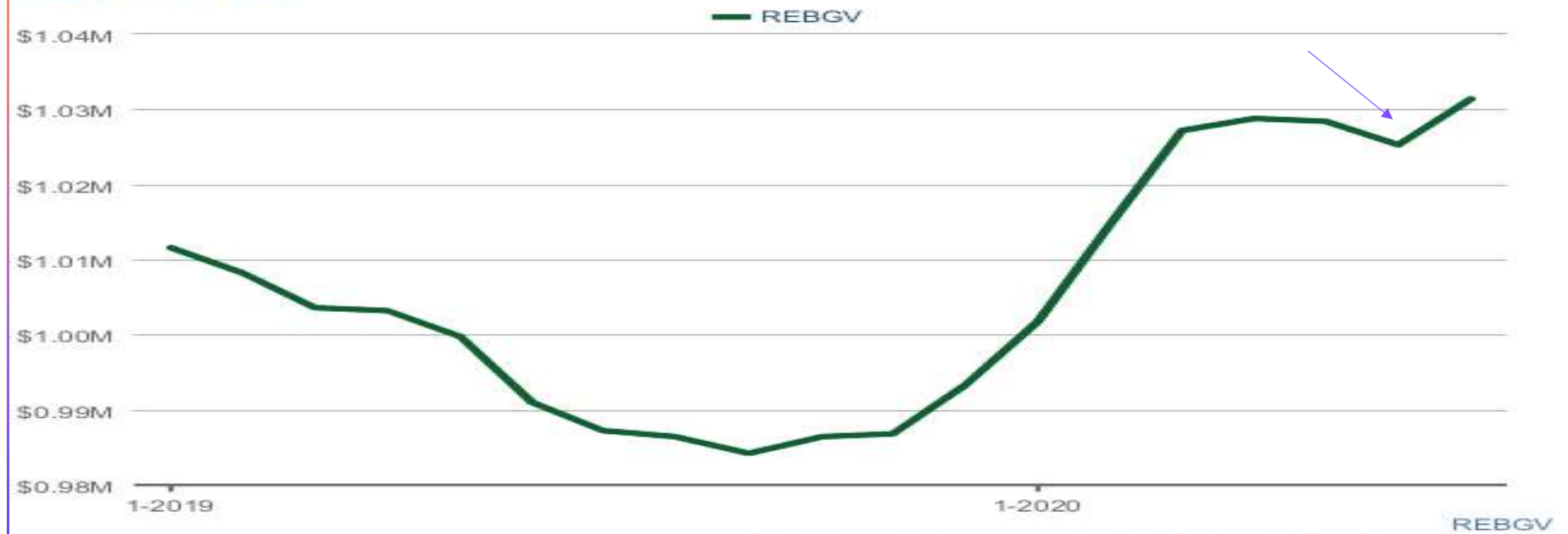
Canadian Market HPI Index Real Estate Board of Greater Vancouver



Current Year REGBV

Ravi Chadha | Homeland Realty | 604-263-7833 | property seller1@gmail.com

MLS® HPI Price



Each data point is one month of activity. Data is from August 21, 2020.

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 - - March/April 2020

COVID
Market
stopped

- Fear
- Lockdown
- Restrictions on evictions
- Legal implications
- Uncertainty

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MAY onwards stability

- Government add liquidity
- Reduced interest rates
- Mortgage deferrals
- CERB
- Rental Assistance programs
- Lack of Inventory

Summer 2020

Demand increased for larger spaces

- Work/study from home.
- Getting away from shared facilities – elevators
- Desire for outdoor space
- More inventory



Looking Ahead

- Businesses are reopening.
- Taking precautions is the new reality
- Expectation of a vaccine towards the end of this year
- Immigration is expected will resume therefore housing demand in Canada will continue

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Why Rent ?

- Flexibility – change jobs change location
- Rent costs are much less than what it cost to own in that location
- Still saving for DP
- Not planning to stay in that area

Why Buy



You are planning to stay in one location for a long time.

Great Investment- land appreciates

Allows you to leverage your \$\$\$

Accumulate tax free wealth

Easier Retirement

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◦ What is
the best
way to
save for
a DP

• Home Buyers
Plan

- Allows you to save tax free in your RRSP and withdraw up to \$35,000 to buy or build a qualifying home.

Other Government Incentives

First Time Home Buyers Incentive

Equity share program

5-10% shared equity mortgage - you put down 5% government will put down 5%. Can get up to 10 % on a new home.

Allows you to get into a home sooner and for a lower payment

Income must be \$120,000 or less --- this caps home purchase price.

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Other Government Incentives

Home Buyers Amount

\$5000 Non-refundable Income Tax credit

Can provide up to \$750 in Federal tax relief

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Other Government Incentives

GST/HST Rebate

- Principle residence
- Full rebate for \$350,000 or less
- Partial rebate between \$350,000 and \$450,000

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Provincial Programs

BC First Time Home Buyers program

- Rebate available on \$500,000 or less

Ontario Land Transfer tax refund

Refund will cover the fully taxed amount on houses up to \$368,333. For houses over \$368,333, homebuyers will receive the maximum \$4,000 refund and have to pay the remaining LTT balance. Maximum amount \$4000

Toronto Land Transfer Tax

First-time homebuyers in Toronto of new and resale homes are eligible to receive a rebate up to a maximum of \$4,475.



Minimum Down Payment

- Price range depended
- Above \$1 Million 20%

Below \$1 Million – 5% with Mortgage Default insurance

- adds 0.6% to 3.85% to the cost of the mortgage depending on the total amount borrowed.
- Canada Mortgage and Housing Corporation (CMHC), Genworth Canada, and Canada Guaranty Mortgage Insurance Company



Types of Ownership

- Freehold

- You own the land and house and are responsible for everything inside and outside.

- Leasehold

- You own the building but the land may be leased 99 years

- CONDOMINIUM OWNERSHIP

- You own your unit and share ownership of common spaces. Monthly fee

- CO-OPERATIVES

- Similar to condos but instead of owning your unit, you own shares in the entire building or complex with the other residents. Monthly fee. Difficult to finance. Be aware that if you decide to sell or rent
 - The co-op board has the right to reject your prospective buyer or tenant. Read the co-op's rules before making an offer.

Making a offer



Legally Binding Agreement



Up to date identification



Will need 5% of the purchase price ready. Normally paid upon condition(s) removal.

Other Costs to Consider

- Home Inspection
- Lawyers/ Notary fees
- Appraisal fees
- Insurance
- Interest adjustment
- Tax adjustments
- Title Insurance or Survey fees
- Service Charges for hooking up utilities
- Moving Costs
- Storage Cost
- Furniture and appliances (decorating and renovation)
- Real estate fees

Selling a home during Covid

- Safety is paramount
- Be aware of you tenant's rights
- Limit physical visits to the property by using technology
 - Floor Plans
 - Professional Photography
 - Videos
 - Matterport Walk through Technology

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