Y O U R F R E E G U I D E

# The GTA Home Buyers Guide

A clear, step-by-step roadmap for buying your first home in the Greater Toronto Area — what to save, what to expect, and how to avoid the costly surprises.

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W E L C O M E

# Before you begin

Buying your first home in the Greater Toronto Area is one of the biggest and most exciting decisions you will ever make. It can also feel overwhelming: the prices, the paperwork, the competition, and the fear of making an expensive mistake.

This guide exists to take that pressure off. It walks you through the whole process in plain language, from figuring out what you can afford to getting the keys in your hand. My goal is simple: to help you move forward with clarity and confidence, not fear.

I have spent years helping buyers across the GTA and surrounding communities find not just a property, but a home where they can put down roots. Whether we work together or not, I want this guide to make your journey easier.

**NEW FOR 2026: HST RELIEF ON NEW HOMES**

In March 2026, Ontario announced it is removing the provincial portion of HST on new home purchases under $1 million for one year (through March 31, 2027). If you're considering a new build rather than resale, this can mean real savings on top of the rebates below — ask your mortgage advisor whether your purchase qualifies.

S T E P 0 1

# Know what you can actually afford

Before you fall in love with a listing, get clear on your numbers. Affordability in the GTA comes down to three things: your down payment, the mortgage you qualify for, and the ongoing monthly costs.

**The mortgage stress test.** Every buyer in Canada has to pass a "stress test." Lenders qualify you at the higher of your contract rate plus 2%, or 5.25%. This protects you from over-borrowing, so factor it in early.

**The monthly picture.** Your housing costs are more than the mortgage. Budget for property taxes, utilities, home insurance, and — for condos and many townhomes — monthly maintenance fees.

STEP 02

## The down payment, explained

Canada uses a tiered system for the minimum down payment, based on purchase price. For 2026, the rules are:

| Purchase price | Minimum down payment |
| --- | --- |
| $500,000 or less | 5% of the price |
| $500,000 to $1,499,999 | 5% on the first $500,000, plus 10% on the rest |
| $1,500,000 or more | 20% of the full price |

If your down payment is under 20%, you will need mortgage default insurance (CMHC insurance). It protects the lender, not you, and the premium is added to your mortgage. First-time buyers can access insured mortgages on homes up to $1.5 million and stretch the amortization to 30 years, which lowers monthly payments.

**QUICK EXAMPLE**

On a $600,000 home: 5% of the first $500,000 is $25,000, plus 10% of the remaining $100,000 is $10,000. Your minimum down payment is $35,000.

STEP 03

## Budget for closing costs

Closing costs are separate from your down payment and are usually paid in cash on closing day. Plan for roughly 1.5% to 4% of the purchase price on top of your down payment. The main items:

- Land transfer tax — usually the biggest closing cost (details next page)
- Legal fees — typically $1,500–$2,500 for your real estate lawyer
- Home inspection — roughly $400–$600, and well worth it
- Title insurance — often around $300–$500
- Adjustments, moving costs, and immediate repairs — easy to forget, so budget for them

S T E P 0 4

## Land transfer tax & first-time buyer rebates

Every buyer in Ontario pays a provincial land transfer tax. If you buy within the City of Toronto, you also pay a second municipal land transfer tax on top — which is why buying in Toronto costs more at closing than buying in Mississauga, Brampton, Vaughan, Markham, or Richmond Hill, where only the provincial tax applies.

The good news: as a first-time buyer, you may qualify for generous rebates.

| Rebate | Maximum | Where it applies |
|---|---|---|
| Ontario (provincial) | Up to $4,000 | Anywhere in Ontario |
| Toronto (municipal) | Up to $4,475 | City of Toronto only |
| Combined in Toronto | Up to $8,475 | City of Toronto |

Your real estate lawyer applies these rebates for you at closing. To qualify, generally you must be at least 18, a Canadian citizen or permanent resident, buying your principal residence, and never have owned a home anywhere in the world.

S T E P 0 5

## Programs that help first-time buyers

- **First Home Savings Account (FHSA)** — save up to $8,000 per year, to a $40,000 lifetime maximum, with tax-deductible contributions
- **RRSP Home Buyers' Plan** — withdraw up to $60,000 per person ($120,000 for a couple) from your RRSP tax-free toward your down payment, repaid over 15 years
- **First-Time Home Buyers' Tax Credit** — a federal tax credit worth up to $1,500, claimed on your tax return
- **New-build HST relief (2026)** — the provincial portion of HST is removed on new homes under $1M for one year, through March 31, 2027

Used together, these programs can add up to a meaningful head start — ask your mortgage advisor which ones apply to your situation.

STEP 06

## The buying process, step by step

1. **Get pre-approved.** Understand your true budget and lock in a rate.
2. **Define your must-haves.** Location, size, and the features you cannot live without versus nice-to-haves.
3. **Start viewing homes.** See enough to calibrate your expectations — never rush this stage.
4. **Make an offer.** Your agent advises on price, conditions, and strategy to protect you.
5. **Conditions & inspection.** Financing and inspection conditions give you a safe window to confirm everything.
6. **Firm up the deal.** Conditions are met, the deal becomes firm, and your lawyer takes over the paperwork.
7. **Closing day.** Funds transfer, land transfer tax and rebates are handled, and you get your keys.

STEP 07

## Mistakes to avoid

- **Skipping pre-approval.** Shopping without knowing your real budget wastes time and weakens your offers.
- **Forgetting closing costs.** The down payment is not the whole story — land transfer tax and legal fees are due in cash.
- **Buying on emotion under pressure.** FOMO leads to overpaying. A calm, patient approach wins.
- **Waiving the home inspection.** A few hundred dollars now can save you tens of thousands later.
- **Not knowing the neighbourhood.** The right home in the wrong area rarely feels right for long.

R E A D Y ?

## Your first-time buyer checklist

- ☐ Reviewed my monthly budget and comfort level
- ☐ Started or topped up an FHSA / RRSP for the down payment
- ☐ Gathered documents for pre-approval (income, ID, savings)
- ☐ Got a mortgage pre-approval
- ☐ Estimated my full "cash to close" (down payment + closing costs)
- ☐ Confirmed which first-time buyer rebates I qualify for
- ☐ Checked whether a new-build purchase qualifies for 2026 HST relief
- ☐ Made a list of must-have vs. nice-to-have features
- ☐ Chosen the neighbourhoods I want to focus on
- ☐ Connected with a real estate agent I trust

L E T ' S T A L K

# Let's find your first home together.

You do not have to navigate the GTA market alone. Whether you are ready to start now or just have questions, I am always happy to help — with honest advice, no pressure, and no obligation.

Reach out anytime and let's talk about what you are looking for.


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