

BUYER *Guide*



TEAM PRATA
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ROYAL LEPAGE
Terrequity Realty

DELIVERING EXCEPTIONAL MARKETING EXPOSURE
FOR SELLERS AND EXCLUSIVE GUIDANCE AND
OPPORTUNITIES FOR BUYERS.

MEET THE TEAM



LORRAINE PRATA

REALTOR®, TEAM LEAD & PARTNER

With 20 years of experience in sales and over 500 million dollars in Real Estate SOLD, Lorraine is the driving force behind Team Prata Real Estate and ranks among the top 1% producers in Canada. Known for her personalized service, exceptional communication skills, and infectious enthusiasm, she excels at helping clients transition seamlessly between city and country living. Specializing in suburban homes in the GTA and Durham Region, cottages and rural properties in Northumberland County

Lorraine brings unmatched expertise and a client-first approach. Her focus on educating and empowering clients ensures they make informed, confident decisions while enjoying a stress-free process. Passionate about sharing the best of both country life in Northumberland and suburban living in GTA and Durham, Lorraine values building lasting relationships and exceeding expectations.

647.831.1770 Lorraine@pratahotte.com



MARK PRATA

REALTOR®, DIRECTOR OF OPERATIONS & PARTNER

Certified from Harvard Business School in Master Negotiations, Mark brings over 20 years of expertise in real estate resale, development, construction, and investment across residential and commercial sectors. Specializing in suburban homes, luxury real estate and Investment properties.

As a Realtor and Director of Operations, Mark drives growth and innovation, ensuring the team delivers exceptional results. With a keen focus on strategic development, marketing, and leveraging cutting-edge AI technology, Mark blends traditional real estate values with modern, tech-driven approaches. His leadership and deep market understanding position Team Prata Real Estate as industry leaders, committed to excellence and client success.

647.527.0757 Mark@teamprata.com



DOUGLAS HOTTE

SALES REPRESENTATIVE

Douglas has made service excellence his passion. When it comes to his clients, he is committed, dedicated and hardworking. With over 40 years of experience in sales and marketing, including 15 years as an award-winning industry leader in real estate sales in Northumberland County, Douglas knows what it takes to exceed clients' goals and expectations. He focuses on treating each home sale or purchase individually as if it were his own. Douglas consistently demonstrates a drive to maintain a strong work ethic and moral compass. Always striving for growth, he founded an incredible team that mirrors his life's passion for service excellence and building long-lasting relationships with clients even after the transactions are closed. Douglas looks forward to meeting future clients with excitement.



KATHRYN DOCHERTY

SALES REPRESENTATIVE

With over 20 years of sales experience, Kathryn Docherty is an invaluable member of Team Prata Real Estate, bringing a wealth of knowledge, professionalism, and dedication to her clients. Specializing in residential resale, Kathryn focuses on both suburban homes and luxury properties, helping her clients find their perfect fit in vibrant neighborhoods across the Durham Region and beyond.

Renowned for her exceptional attention to detail and personalized approach, Kathryn takes the time to understand her clients' needs, ensuring every step of the buying or selling process is smooth, stress-free, and rewarding. Her deep market knowledge, combined with her commitment to excellence, allows her to deliver results that consistently exceed expectations.

Kathryn's passion for real estate is matched only by her dedication to building lasting relationships. She thrives on helping families and individuals make confident, informed decisions while creating new beginnings in homes they love. Her warmth, professionalism, and proven expertise make her an integral part of the success of Team Prata, adding immense value to the team and to her clients.

Whether you're searching for a cozy suburban home or a high-end luxury property, Kathryn Docherty is committed to providing an exceptional real estate experience with integrity, care, and a touch of her signature enthusiasm.

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TARA

MARKETING MANAGER

Tara is the driving force behind Team Prata's in-house marketing, ensuring every property gets the maximum exposure it deserves. With a degree in Marketing and years of experience in real estate branding, she expertly crafts targeted campaigns that captivate buyers and generate results.

She oversees all advertising and marketing strategies for every listing, leveraging data-driven insights to create engaging content that stands out. From custom property webpages to high-impact marketing materials, Tara ensures each home is positioned for success across digital and traditional platforms.

With a keen eye for branding and a deep understanding of buyer behavior, she optimizes social media engagement, online visibility, and strategic ad placements, ensuring Team Prata's listings consistently outperform the competition. Whether it's stunning photography, compelling storytelling, or innovative marketing techniques, Tara's expertise gives every property a competitive edge.

At Team Prata, we don't just list homes—we market them to sell, and Tara is at the heart of that mission.



MOHAMED NOUR

VIDEO EDITOR

Muhammed is Team Prata's full-time video editor, crafting high-quality property videos and marketing content to maximize exposure and engagement.



JOHN REID

VIDEOGRAPHER | PHOTOGRAPHER

John and his Team are our full-time videographer and photographers, transforming every listing into a visual story that captivates buyers. Through expert photography and cinematic videography, they showcase each home's unique character, creating compelling content that drives engagement and maximizes exposure.



Step 1

MAKING THE DECISION TO BUY

A Journey of A Thousand Miles Begins With A Single Step

Congratulations on taking the first steps to homeownership! Step one is simply making the decision to buy and having the right conversations with those close to you, and deciding that this is the time. Whether motivated by market factors, family planning, size requirements, location constraints, employment, love, or just about anything else – buckle up; because the fact you're reading this, means you've hit step one.

Congratulations.



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Are you ready for Homeownership?

Take this simple quiz to find out if you're ready to start the home buying process

1. Are you familiar with the real estate market in your preferred neighbourhood?

Yes No



TIP: Start perusing online well before your house hunt. You don't want any surprises when meeting a real estate agent and finding out homes in your preferred community are way out of your price range.

2. Do you know how much you've been approved for by the lender?

Yes No



TIP: Determine how much you can afford. Estimate your mortgage using by factoring in items such as you income, debt, utilities and other mortgage related expenses and monthly payment amounts.

3. Have you saved enough for at least a 5% down payment towards your first home?

Yes No



TIP: Conventional mortgages require a down payment of 20% of the purchase price. But, you can buy with as little as 5% down.

4. Do you have a regular income source, whether you are salaried or self-employed?

Yes No



TIP: If you've got a two year history of managing your credit and finances responsibly, you can qualify without traditional income verification.

5. Do you have a credit history?

Yes No



TIP: Lenders look at credit history to determine if someone is a reliable borrower. If you don't have a credit card, establish good credit by acquiring a credit card. Use it for small purchases and pay off the full balance each month.

6. Do you have a strong credit score?

Yes No



TIP: A poor credit makes it harder to get mortgage approval. Always meet your monthly minimum payments on time, and ensure you are clearing your credit card debt, or at least bringing each credit card balance to under 35% of its credit limit

7. Have you got a handle on your debt to income ratio?

Yes No



TIP: A high debt load could hinder your ability to meet your financial obligations. Your monthly debt repayments (housing, car, credit cards, lines of credit, etc.) should not exceed 40% of your household's gross monthly income. If you're carrying more than that, be aggressive about paying it down so you're set up for success when you start your homeownership journey.

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Step 2 CREATE A **WISHLIST**

This part is fun – go crazy! Just jot-down or discuss the dream features of your dream home, what are some things that you just can't live without? What are some elements you'd love if money were no object? Going to the max, and listing home or area features can drastically help me hunt for it, or find creative solutions to thrill you. This will be revised and adapted over time. It's not a 9th grade biology test – there are NO wrong answers here.

Create

YOUR OWN WISHLIST

[illegible]



Step 3

BUYER EDUCATION

We have more power in the palm of our hands today; in the form of a smartphone, than the first space shuttle launched to the moon! Take a second – that blows my mind... it means we have more access to information than ever before. Now; this can be a huge benefit – but also detrimental, to your home buying journey. Knowledge is a tool, a tool that we have the responsibility of respecting. Knowledge comes in all shapes and sizes – and with the prevalence of social platforms making it easy to share a message; it's up to us, the consumer, to filter through fact and fiction. Use the appropriate, respected sources for uncovering unbiased truths about the market and what to expect throughout.

Used for good – our access to information can be a major asset to preparing ourselves for home ownership. Analysis paralysis is another potential hurdle to overcome – we are here to help guide and assist throughout; it's great to have an understanding but don't stress yourself out having to know it all. One step at a time. It's easy to get overwhelmed and put the brakes on altogether – that's not the right response. There will be a lot of information, and a lot of options thrown at you all at once. It's ok to stop and take a deep breathe – but just know you're not alone. It's part of the journey.

Step 4 CHOOSING **YOUR TEAM**

Your salesperson is vital to your success when transacting in real estate. Ask friends and family for some references; relating to mortgage brokers and lawyers. Your salesperson "Buyer Concierge" or Buyer Representative can also suggest support from my vast and diverse network compiled over years of success in the industry.

An expert salesperson has a specific role throughout your process, and should be accessible to you for questions at all times. You can interview your salesperson before any commitment, ensuring your attitudes are aligned toward your success. Comfortability is important when transacting at this magnitude.

If you will be obtaining a mortgage from a conventional lender; your mortgage broker will be working together with, yet at a distance from, your salesperson. Their role begins at the very start, and is defined by their ability to attract lenders to your particular profile. Based on some basic elements such as income, debt obligations and credit score – your broker can make determinations such as qualification limits and mortgage rate expectations. At the start your broker assists in setting the parameters of your search, and follows your transaction to closing day, ensuring banks transfer funds to lawyers. There is a lot more to this role, but these are the basics.

CONTINUED →





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Your lawyer comes into play later in most conventional cases – and you should have your lawyer decided on at least 3 weeks prior to closing; although most home buyers select their legal representation within a week of successfully reaching a firm accepted offer. This can vary based on closing date. Your lawyer has a significant role, transferring the home title to your name on the close date – in addition to moving closing day funds to appropriate parties, balancing taxes and adjustments, identifying and clearing any potential liens or debts and more. It's important to employ an experienced lawyer, with relevant experience in real estate specific practice.

There may be more members on your "team" throughout your home buying journey; such as a home inspector, appraiser, contractor, design specialist, cleaning team, etc. whose services may be deployed throughout different stages of your buying journey. Our Team can assist with all contacts necessary.



Step 5

ESTABLISHING A BUDGET

This is something that can happen between yourself and your mortgage representative; you need to decide on a budget that's manageable and affordable. It's great to discover your maximum purchasing power in any market – but it doesn't mean you have to stretch your purchase to the max. Once we have a budget, your Sales Representative will have a better idea of parameters to work within, and ensure you're receiving relevant listings to review. Budgets change, and that's ok – upward or downward, we can work with a somewhat floating budget. Remember that tradeoffs may come into play when working with strict budgets – generally speaking, the further we get from core Toronto, the further your money will go. That's the tradeoff for time and distance, related to asset value. Some other factors to determine parameters; that may relate to budget – are home size, location, parking, storage, school districts, exterior & backyard spaces, basement features and so much more. Your Sales Representative will have prompts to help them understand your unique Wish-List.





Step 6

WISH LIST EDIT ONGOING

This is your chance to make changes and adjustments to your Wishlist – now that you’ve established budget, we can tweak based on new discovery. In a home buying journey – its vitally important to maintain realistic expectations. Differentiate between your needs and your wants. Pro-tip; remember what you can and cannot alter in your new home. For instance; a view, ceiling heights, and street location cannot be renovated – but paint, floors and light fixtures are a simple fix. Location, layout, orientation, lot size, unit & home size and similar elements should be part of the conversation.



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Step 7

FIND **YOUR HOME!**

With your parameters known, your Sales Representative can assist in arranging for you to receive new listings daily; direct to your inbox. Its important to remember that these parameters can only be filtered to a certain degree – I would much rather you receive a few that aren't a great fit rather than miss a couple that would fit the bill. I also encourage you to work alongside your representative, as a team, to discover new property. Feedback throughout the online piece is important; as I can tweak and alter your pre-determined parameters anytime. Timing is important; so if you see something you like online; either independently or via your assigned sales representative – let us know so we can make contact with listing agents and book showings accordingly that accommodate your schedule.

So, showings! This is the fun part – but also full of responsibility. Maintain the lens of a buyer – don't get caught up in fancy furniture or Knick knacks. Look and examine at the features you cannot easily alter – imagine yourself living in the space. Ask yourself; what does my commute look like? How far will my friends and family be? Can I make dinner and entertain in this kitchen? Will I be proud to drive up to THIS everyday? Our suggestion is seeing no more than 6 properties MAX in one shot – as they tend to blur together. Your representative will plan our route and maintain efficiency throughout showings.

CONTINUED 



Your Sales Representative will assist in asking thought provoking questions throughout, as well as informing you of elements about the properties that you may not see with the naked eye – we go above and beyond to find all the answers relevant to making educated decisions, offers and of course arriving at an acceptable price-point! We are often asked – how many showings does the average buyer go on before pulling the trigger? The answer – it depends. We've had buyers find success on the very first outing in some cases, in others it comes at 30-40 showings. Do not question yourself – and know that this is a process, not just a singular event. We mutually learn as we go – we learn about what elements you value, and so do you. It's never too early to get out there, the sooner you do, the steeper the learning curve. In most cases you may not even know the right questions to ask – and that is ok, that's what I'm here for. All you need to do is let me know which properties you'd like to visit and I can handle the rest. Take that leap of faith and trust in the process – your Sales Representative will guide you, start to finish. I've done this before; many many times before.

The background of the slide is a photograph of a bright, modern interior space. It features large, white-framed arched windows that look out onto a snowy landscape. The room has white walls and a light-colored floor. A framed abstract painting is visible on the wall. The overall atmosphere is clean and bright.

Step 8

FINDING "THE ONE" **MAKING AN OFFER**

Ok we like this one! Now what? We need your autograph! I will take a deep analytic dive on a macro and micro scale, as well as communicate at length with you and your buying team to decide on a strategy and starting price combined with starting elements of your offer. There are a lot of standard clauses in the forms, and your representative will articulate those to you. Leave it to us to present your offer in its best possible light – and bright forward some elements that may be meaningful to the particular seller. We need to know our audience – an investor seller will likely be focused solely on price, a family making a move in conjunction may value an ideal closing date more, and a lack of conditions are generally always viewed more favourably. We can tailor our approach to the specific seller – once all pertinent information is learned. Knowledge is power. Let's type your offer!

WHAT WE NEED TO KNOW

Price

This is a big one; depending on if we're competing with others, or a conventional offer scenario – my strategy and advice may shift; either way I'll be looking to score you the absolute best price. My job is to advise and educate you on comparable sales, and market conditions – but the ultimate final say is 100% yours.

Closing Date

If I can accommodate the sellers ideal closing date, I should try to – and your representative can sell this as a major benefit to the sellers. Some will value this piece more than others, but its always a good idea to try and accommodate if possible.

Deposit

Generally – this is 5% of the purchase price (do not confuse for down payment). The deposit is submitted with, or within 24 hours of acceptance of your offer, and must be described in your offer. If you have funds tied up, there are options for later deposits, and breaking deposits up into multiple deliveries. The bigger the deposit, the better your offer will be received but in actuality, this has little to no effect on your position – other than perspective and optics.

Conditions & Clauses

As your Sales Representative, I will advise on a case by case basis – but in addition to standard clauses, you as the buyer have the opportunity to add absolutely anything you like. Buyer visits, leaving the home clean and free of debris and appliances in good working order are some common additions to protect the buyer. Conditions are a form of clause, that essentially tie up the property once the basic terms are agreed upon, and provide you as the buyer to get firm answers on items like financing, a home inspection, or a status review – waiving said conditions at your sole discretion once comfortable. There are some more commonly used clauses and conditions, but there are no wrong answers here – whatever adds comfortability and confidence, your representative will have the appropriate language.



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Step 9

STRENGTHENING YOUR OFFER



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Agents and buyers always jump right to price – and of course this is important to sellers; but most experienced agents know that there are other elements that can put you at a great advantage when executed properly. Closing date, negotiable terms, deposits and structure of said deposits as well as your clauses and conditions; or lack thereof – all play a drastic role in the seller's decision of what offer may be best suited to them. Bigger deposits are favorable. Firm offers are favorable. Creativity comes into play when an investor in selling a property full of a previous tenant's junk – and rather than burden the seller with the hassles that accompany the removal of junk... I can structure our offer \$30k less than competitors but assume the responsibility of cleaning things up. It may just be worth it to this particular seller. That's the difference maker in any market – knowing the seller, and what the seller values. If I can get creative – I can be successful in more ways than one. As your Sales Representative, I rigorously trained in expert negotiation to give you every edge possible.

A modern interior space featuring a wooden-framed light fixture with four warm-toned bulbs. In the background, a window with white curtains is visible. The overall atmosphere is bright and contemporary.

CONGRATULATIONS **OFFER ACCEPTANCE**

Step 10

Acceptance! Time to celebrate! But your work is not over yet. Your Team Prata Real Estate Sales rep has worked their magic to get your deal accepted!! From here, they will manage conditions until firm – such as financing, and/or home inspections or status reviews. Your Rep will also need to circulate the firm deal to all relevant parties at this point; such as your lawyer, mortgage broker, the listing side agent and their lawyer. If you do not have a go-to lawyer, this is the time to interview and decide on one to close your purchase – We can suggest a number of qualified lawyers from our vast and diverse network.



Step 11

POST **ACCEPTANCE**

Most of the procedure following your purchase is managed for you, by your rockstar team you've put together. If you haven't decided on a lawyer to date, this is the time. If we do have conditions, you may need to be involved to manage them - and assist in getting the answers you require to proceed. I advise our buyers to be present for home inspections as you can learn a lot about your home and home maintenance in general if you're new to it.

Step 12

BEFORE CLOSING & PROPERTY VISIT



Enjoy this - get your ducks in a row and prepare to deliver to your lawyer; one to two days prior to closing, your balance of deposit, including land transfer tax and adjustments. This figure will be provided by your lawyer. I always include buyer visits - generally two. One is used to see the home again once its yours; generally you see it with a different lens once its yours. Feel free to bring family, plan for furniture, assess any renovations you may want to complete, etc. The second visit generally happens closer to closing date to ensure all appliances are in fact in good working order and the home is, for the most part, in the condition that it was in when you first viewed it. It's much easier to address any concerns prior to closing versus after.



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Step 13

LAST & FINAL CLOSING DAY

The BIG day! What happens today? Most of today is handled for you - expect a call between 2pm and 4pm from your lawyers; informing you that funds have been transferred, cleared, and you are officially closed! Congratulations homeowner! I advise visiting the property today, even if you don't intend on moving in today. If, for whatever reason, there is any debris or damage left behind - it's best to address asap. Enjoy the moment, celebrate and take it all in. All of the great memories are yet to come! Our team is gratefully appreciative of your trust in us to get you to this point, and I could not be any happier for you. I have a diverse network of homeowner contacts that may come in handy so be sure to download our complimentary "Homeowner Handbook". Our journey together is far from over - we will always be a resource to you for all things "home" and beyond. Do not hesitate to reach out to me at any point with absolutely any questions. Once again, congratulations! You did it!



Resources

FIRST TIME HOMEBUYER

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A large, modern living room with a stone fireplace, a large TV, and a leather ottoman. The room features a high ceiling with recessed lighting and a large window. The word "Decisions" is written in a large, red, cursive font across the top of the image.

Decisions

BENEFITS & CONSIDERATIONS

WHEN BUYING

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DISCOVERING YOUR WHY

1

Quality Of Life

Home ownership is part of a better quality of life for most buyers. The quality of our living situation directly impacts how we feel.

2

Tax Deductions

Buying a home helps you mitigate the amount of tax you pay with tax deductions for both mortgage interest and property taxes. Property taxes and qualified interest are deductible on an individual's federal income tax return.

3

Spend Money To Make Money

Investing in real estate, with the guidance of a skilled real estate agent, grants you the benefits of home ownership as well as the potential for substantial appreciation which can lead to a lucrative return on your investment, allowing you to capitalize on the ever-growing value of your property over time.

4

Deferred Gain And Capital Gain Treatment

A homeowner can exclude up to **\$500,000** of capital gain tax if married and filing jointly or up to **\$250,000** if single or filing separately when you sell your home. The home must have been the taxpayer's principal resident for the previous two years.

5

Principal Accumulation

As a homeowner, a portion of each amortized mortgage payment typically goes to principal, which in the long run is an investment and "forced savings" building up your equity.





6

It's The Dream

Owning a home is THE Dream. We work with many first time home-buyers; and it truly is a dream come true for them.

7

Financial Freedom

For many homeowners, one of the greatest freedoms is acquired through home ownership. They can get rid of their landlord and are no longer surrounded by neighbours in an apartment with thin walls. The freedom to do whatever they wish with their homes is a big incentive for many new homeowners.

8

Leverage

Real estate investment offers a remarkable opportunity to maximize your money's potential. As property values rise, your equity grows, offering opportunities to build wealth and generate substantial returns. Real estate is a powerful avenue to leverage your money and tap into the long-term growth potential of property markets.

9

Stop Paying Rent!

Just think of the money you're spending on rent, paying your landlords mortgage without any benefit of building equity. Let's talk about a rent Vs own comparison

10

Because You Get To Work With Us!

Experience top tier service with Me. I am dedicated to giving you a smooth and stream less buying process while guiding and educating you every step of the way!





WHAT & WHERE TO BUY

Congratulations on taking this step toward buying a home. Pride of home ownership is indeed one of life's greatest joys and biggest accomplishments. It is an exciting time!!

Let's get started! The first step is deciding where you want to live, what type of home you are looking for and what features are "must have's" or "would be nice to have's" in a home

- **Home Type:** Choose preferred type (e.g., single-family, semi-detached, bungalow, duplex, condo).
- **Age of Home:** Decide preference for newer or older property.
- **Bedrooms and Bathrooms:** Determine required number.
- **Preferred Features:** Identify high-priority amenities like appliances, ensuite, fireplace, separate dining room, and preferred kitchen/family room layout.
- **Additional Rooms and Storage:** Consider need for laundry room, home office, and available storage (e.g., basement, lockers).
- **Parking and Garage:** Assess need for garage or extra parking.
- **Energy Efficiency:** Determine importance of energy-efficient features (e.g., windows, furnace).
- **Location:** Consider commute convenience, proximity to amenities, and specific location preferences.
- **Yard Size:** Determine desired size and importance of backyard, side yard, and front yard.
- **Unique Needs:** Consider specific requirements (e.g., fenced yard for pets, separate entrance for extended family).
- **Investment Capability:** Determine willingness to invest financially or through sweat equity if desired features are not initially found.
- **Long-Term Plans:** Consider intended residency duration and its impact on home type, location, and budgeting.





MUST-HAVE VS WANTS

PRIORITIZING

Just as you wouldn't set out to buy the Thanksgiving Day groceries without a list, you shouldn't start looking at houses before you know for sure what you want and need in a home.

Focus your home search early on by writing out the features your new house absolutely must have, and those features that, while nice to have, are not necessarily deal breakers.

You can start by asking yourself the following questions:

Cost

Knowing your budget will help you decide which of your desired home features should stay on your shortlist. Here are the two factors to consider:

How much can I afford to spend on my new house?
How much renovation and remodelling am I willing to do?

Neighbourhood

Some home buyers are willing to compromise on location, and for others location is everything. To determine how important it is to you, answer these questions:

Where do I want to live? (community/general area)
Is the quality and proximity of schools a factor?
How far am I willing to commute to work?
Is being close to public transportation important?
Which amenities should be close by? (grocery store, medical clinic, mechanic)

The basics

These are the features every prospective home buyer must consider. Determine which ones you're dead-set on, and which ones could go either way:

Do I want a brand new house, or an older one?
What style of house do I prefer? (ranch, colonial, split-level, multi-level, town home, condo, multi-family, bungalow, other)
How big a home do I want? How many square feet?

What sort of lot would I like? (small yard, large yard, fenced, garage, patio/deck, other buildings)

How many bedrooms do I need? How many would I like to have?

How many bathrooms do I need? How many would I like to have?



Affordability

INSURANCE & MORTGAGES
APPROVALS

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WHAT TO KNOW ABOUT HOMEOWNERSHIP

Affordability. It's a word that gets tossed around a lot when people talk about homeownership, but what does it really mean?

Affordability is a term that's both quantifiable (lending institutions use a formula) and a little bit subjective (lifestyle considerations factor in, too). Here's what you need to know about affordability, and what it means for you.

Debt service ratios

Assessing Affordability for Lenders and Insurers

Lending institutions and mortgage insurers evaluate affordability based on two key ratios: the Gross Debt Service Ratio (GDSR) and the Total Debt Service Ratio (TDS).

Gross Debt Service Ratio (GDSR):

The GDSR compares homeownership costs (mortgage payments, property taxes, heating expenses, and 50% of condo fees if applicable) to household income.

Total Debt Service Ratio (TDS):

The TDS considers homeownership costs (as mentioned above) along with other debt payments (credit cards, lines of credit, student loans, car loans, etc.) relative to household income.

To qualify for mortgage insurance (mandatory for home purchases with a down payment less than 20% of the home's cost), the highest allowable GDS ratio is 39%, and the highest allowable TDS ratio is 44%. These ratios determine your eligibility for mortgage insurance coverage.

Important Household Expenses

It's essential to consider key household costs in addition to debt service ratios. While these expenses don't directly impact debt calculations, they should be included in your budget as they consume a significant portion of your income. Examples of such expenses include:

- Groceries
- Childcare
- Mobile phone
- Internet
- Clothing
- Entertainment
- Memberships
- Kids' extracurricular activities

Keep in mind that household expenses change over time. Are there any areas where you can reduce costs? Will certain expenses decrease or disappear, such as when a car loan is paid off or when a child transitions from daycare to full-time school?

It's important to anticipate and adjust your budget accordingly.

Set a budget you can afford

Your affordability is influenced by both the numbers-driven debt service ratios used by financial institutions and mortgage insurers, as well as the discretionary lifestyle expenses that impact your overall financial situation. It is within this balance that you'll discover what affordability truly means for you.

NEXT STEPS

Consulting with a mortgage professional or financial planner is highly recommended to ascertain the suitable mortgage amount you can comfortably manage.

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5 Steps

GETTING **PRE-APPROVED**

In the competitive mortgage industry, interest rates are subject to fluctuations. To navigate through this process effectively, it is advisable to speak to a mortgage broker or financial institution. They can assist you in finding the most suitable mortgage product and securing the best possible buying experience.

1. Talk with a mortgage specialist.

When seeking a lender, you have a multitude of choices. Independent mortgage brokers provide extensive options since they work with multiple banks. However, if you have a strong relationship with your bank or financial institution, it's advisable to contact them initially to find your ideal mortgage. Remember to compare rates from different lenders.

2. Complete and submit your application with the mortgage broker.

They will collect your financial and personal information in order to find out how much mortgage you can carry.

3. Gather all the necessary documents.

The mortgage broker will give you a list of documents that the banks/lenders need to finalize the mortgage.

4. Verification of your details.

They will do their checks and balances to make sure that you are not getting in over your head.

5. Obtain a copy of your pre-approval.

This is a powerful negotiating tool. The seller of your dream home will feel more confident.

Benefits of having that Pre-Approval Documentation

- 1 .Save you time.**
- 2 .Save you money.**
- 3. Less stress throughout the process.**
- 4. Competitive edge on the home that you want.**
- 5. Negotiation power.**

FINANCING YOUR HOME

It's time to meet with your mortgage lender or broker to discuss your financing options and confirm that you are financially ready to buy a home. They will discuss mortgage terms and interest rates and will explain what you must do to ensure that you get approved for a mortgage once you find your home.

Get pre-approved

Getting pre-approved for a mortgage provides key information about your affordability, interest rate, and monthly payments. It helps narrow down your home search. However, pre-approval is not a final approval. The property must still be assessed by the lender to ensure its price and condition meet their requirements.

Mortgage terms you should know

- **Amortization period:** The agreed time to repay the mortgage (typically 25 years).
- **Mortgage term:** The duration of chosen options and interest rate, ranging from 6 months to 10 years. It can be renegotiated when the term ends.
- **Payment schedule:** Frequency of mortgage payments (weekly, biweekly, monthly, or accelerated options). Discuss with your lender for all available choices.

Types of interest rates:

Fixed rate: The rate doesn't change for the term of the mortgage.

Variable rate: The interest rate fluctuates with market rates.

Protected (or capped) variable rate: The rate fluctuates but will not rise over a preset maximum rate.

Open and closed mortgages:

Open mortgage: Lets you pay off your mortgage in full or in part at any time without any penalties.

Closed mortgage: Offers limited (or no) options to pay off your mortgage early in full or in part, but it usually has a lower interest rate.

Conventional and high-ratio mortgages:

Conventional mortgage: A loan that is equal to or less than 80% of the lending value of a home. This requires a down payment of at least 20%.

High-ratio mortgage: A loan that is over 80% of the lending value of a home. This means the down payment is less than 20% and will likely require mortgage loan insurance.



10 Commandments

WHEN APPLYING FOR A **REAL ESTATE LOAN**

Last but not least, these are important rules to follow to ensure a smooth mortgage approval process.

1. Thou shalt not change jobs, become self-employed or quit your job.
2. Thou shalt not buy a car, truck or van (or you may be living in it)!
3. Thou shalt not use charge cards excessively or let your accounts fall behind.
4. Thou shalt not spend money you have set aside for closing.
5. Thou shalt not omit debts or liabilities from your loan application.
6. Thou shalt not buy furniture.
7. Thou shalt not originate any inquiries into your credit.
8. Thou shalt not make large deposits without first checking with your loan officer.
9. Thou shalt not change bank accounts.
10. Thou shalt not co-sign a loan for anyone.

We hope you have found this guide valuable. When you are ready, give us a call!



Costs

ALL ABOUT
CLOSING COSTS

TEAM PRATA
REAL ESTATE®



CLOSING COSTS WHEN BUYING

LAWYER'S FEES - INCLUDING DISBURSEMENTS & ADJUSTMENTS

Costs Vary

\$1,800 - \$2,400

CMHC INSURANCE (IF LESS THAN 20% DOWN)

0.6% to 3.85%, depending on ratio of loan to value. This can be added to the mortgage amount and financed over term of mortgage. 13% HST on the premium amount must be paid on closing. Your mortgage broker can walk you through the insurance amounts in more detail.

VARIES

APPRAISAL FEE

Many banks require an appraisal of the property. The purchaser generally cover the cost of this fee. In some cases the lender will cover the appraisal

\$300 - \$400

TITLE INSURANCE

Title insurance protects buyers from any errors in title that may arise during the time they own the property. Your lawyer will arrange the insurance at closing.

\$600



**TEAM PRATA
REAL ESTATE®**



ONTARIO AND TORONTO LAND TRANSFER TAX (PROVINCIAL)

For single family or two family homes outside the City of Toronto.

- Up to \$55,000: 0.5%
- \$55,000.01 to \$250,000: 1% minus \$275
- \$250,000.01 to \$400,000: 1.5% minus \$1,525
- \$400,000.01 to \$2,000,000: 2% minus \$3,525
- Amounts exceeding \$2,000,000: 2.5% minus \$13,525

The first time buyer rebate will reduce the Land Transfer Tax by up to \$4,000 for principal residence.

City of Toronto & Provincial

For single family or two family homes in the City of Toronto you pay both city and provincial tax.

- Up to \$55,000: 0.5%
- \$55,000.01 to \$250,000: 1% minus \$275
- \$250,000.01 to \$400,000: 1.5% minus \$1,525
- \$400,000.01 to \$2,000,000: 2% minus \$3,525
- Amounts exceeding \$2,000,000: 2.5% minus \$13,525

First time buyers of principle residences in Toronto receive rebate of up to \$4,475 along with their provincial rebate of up to \$4,000.

Scan below
for a land
transfer tax
calculator



If purchasing a home
outside Toronto you
only pay the ontario
land transfer not both.



Be Aware of All Costs Involved. Home Aside from the property itself, there are additional costs to consider: basic maintenance, yearly upkeep, upgrades, and expenses like utilities and taxes. Ensure to factor in all of these costs when choosing to purchase an investment property.

Consider the Area. Location is a key factor in the real estate market. Choose an investment property in an area with potential to grow. Your Tyler McLay Real Estate Sales Representative can help you determine where to invest.

Keep Growth in Mind. When investing in real estate, the assumption is you'll eventually want to sell, with the overarching goal being to make a profit. Build your property value by making simple upgrades or additions.

Keep Important Numbers on Hand. additions. Real estate investment takes a village. Have a go-to list of people who you will need to assist you with your investment. An attorney, a CPA, a licensed realtor, and money lenders are all importance resources.

Keep Digital Records of Everything. When renting an investment property to a tenant(s), legal issues may emerge. To ensure you are prepared should an issue arise, it is crucial to hold on to receipts and communication records. Having evidence to support your claims is always a good idea.

TEAM ACCOMPLISHMENTS AND SOCIALS

- OVER FIVE HUNDRED MILLION OF REAL ESTATE **SOLD**
- **TOP 1%** OF REALTORS IN THE NATION
- **CUSTOMER SERVICE EXCELLENCE** ACHIEVEMENT AWARD
- COMBINED EXPERIENCE OF **30+ YEARS**
- SELLING AND BUYING IN **DURHAM REGION AND TRENT HILLS**
- ROYAL LEPAGE TERREQUITY **TOP LISTING UNIT PRODUCER**
- WITH **OVER 100,000 LIKES** AND **OVER 30,000 FOLLOWERS**
- **100,000+ VIEWS** ACROSS ALL SOCIAL PLATFORMS
- WE MAINTAIN A MONTHLY REACH OF **500,000+ IMPRESSIONS**



Connecting With YOU!
SOCIAL MEDIA CHANNELS



THE LARGEST REAL ESTATE BOARD IN NORTH AMERICA

RESULTS

OVER 2 MILLION VIEWS/
IMPRESSIONS



- OVER 10,000 TRANSACTIONS
- WE SELL 6.8% HIGHER THAN AVERAGE REALTOR

OVER

**HALF A BILLION
IN SALE**

IN SALES

COMBINED
EXPERIENCE OF

**30+
YEARS**



**TOP
ON TRREB
PRODUCERS**

**TOP
1%
IN CANADA**

BUYER DATABASE OF
OVER

45,000

OUR PROVEN
RESULTS

**OVER
1 MILLION
SM ES**

ROYAL LEPAGE
Terrequity Realty



what others **ARE SAYING**



HELENA ROSSBOROUGH

The Prata's are true professionals, but what sets them apart is their love for the community and the people they connect with. They sponsored our sons hockey team and always go above and beyond to show their support for the kids and our community. These are the people to trust when it comes to selling your home or looking to purchase one.



TASHA ASLANFARD

Lorraine is without a doubt the best agent to work with. She was so kind and patient throughout the whole process. She listened to what we wanted, knew exactly what to do to get us there, and we couldn't be happier with the results. Her level of professionalism is second to none. She is part of the family now and she will definitely be our agent of choice in the future.



JOSEPH PARKER

Lorraine is absolutely amazing, she showed my wife and I homes from Hastings ON. to Trenton ON. She has so much patience, Lorraine was always looking out for our best interest. I highly recommend Lorraine. 10 out of 10 stars.



WENDY FEENEY

Wow I can't say enough about Mark and Lorraine Prata and how they handled the sale of my father's home. This had been our family home for 60 years so we really didn't know much about real estate transactions. Mark and Lorraine explained everything, guided us along the way, and were successful in selling this home in 2 days, above asking. I would recommend them for any of your real estate needs. Thanks again Mark and Lorraine



DEREK R.

For first time home buyers, we strongly recommend speaking to Team Prata Real Estate. I dealt with Mark, his dedication to our satisfaction was evident in how he went out of his way to provide insight of the market value in the area, helping us understand the best time to buy, accommodating dates for showings and knowledgeable with the area and surrounding communities which really stood out versus other companies we spoke to. Thank you Mark for all your help!



RYAN HAYDAR

I can't recommend Mark and Lorraine of Prata Real Estate Team enough! They are incredibly hardworking and always have their clients' best interests at heart. Their commitment to staying updated with the latest education and marketing strategies truly sets them apart in the industry. If you're looking for dedicated real estate professionals, look no further!

Your HOMEBUYER'S GLOSSARY

By familiarizing yourself with these home-buying basics, you'll be better equipped to make informed decisions and a wise investment

Amortization: The length of time allotted to paying off a loan – in home-buying terms, the mortgage. Most maximum amortization periods in Canada are 25 years.

Balanced Market: In a balanced market, there is an equal balance of buyers and sellers in the market, which means reasonable offers are often accepted by sellers, and homes sell within a reasonable amount of time and prices remain stable.

Bridge Financing: A short-term loan designed to “bridge” the gap for homebuyers who have purchased their new home before selling their existing home. This type of financing is common in a seller's market, allowing homebuyers to purchase without having to sell first.

Buyer's Market: In a buyer's market, there are more homes on the market than there are buyers, giving the limited number of buyers more choice and greater negotiating power. Homes may stay on the market longer, and prices can be stable or dropping.

Closing: This is the last step of the real estate transaction, once all the offer conditions outlined in the Agreement of Purchase and Sale have been met and ownership of the property is transferred to the buyer. Once the closing period has passed, the keys are exchanged on the closing date outlined in the offer.

Closing Costs: The costs associated with “closing” the purchase deal. These costs can include legal and administrative fees related to the home purchase. Closing costs are additional to the purchase price of the home.

Comparative Market Analysis: Comparative market analysis (CMA) is a report on comparable homes in the area that is used to derive an accurate value for the home in question.

Home Inspection: The home inspection is performed to identify any existing or potential underlying problems in a home. This not only protects the buyer from risk, but also gives the buyer leverage when negotiating a reduced selling price.

Condominium Ownership: A form of ownership whereby you own your unit and have an interest in common elements such as the lobby, elevators, halls, parking garage and building exterior. The condominium association is responsible for maintenance of building and common elements, and collects a monthly condo fee from each owner, based on their proportionate share of the building.

Contingencies: This term refers to conditions that have to be met in order for the purchase of a home to be finalized. For example, there may be contingencies that the mortgage loan must be approved or the appraised value must be near the final sale price.

Deposit: An up-front payment made by the buyer to the seller at the time the offer is accepted. The deposit shows the seller that the buyer is serious about the purchase. This amount will be held in trust by the agent or lawyer until the deal closes, at which point it is applied to the purchase price.

Down Payment: The down payment is the amount of money paid-up front for a home, in order to secure a mortgage. In Canada, the minimum down payment is 5% of the home's total purchase price. Down payments less than 20% of a home's purchase price require mortgage loan insurance. The selling price, minus the deposit and down payment, is the amount of the mortgage loan.

Dual Agency: Dual agency is when one agent represents both sides, rather than having both a buyer's agent and a listing agent.

Equity: The difference between a home's market value and the amount owing on the mortgage. This is the portion of the home that has been paid for and is officially "owned."

Fixed-Rate Mortgage: A fixed-rate mortgage guarantees your interest rate and for a pre-determined amount of time, typically 5 years. When the term expires, you have the option to stay with the same lender or switch to a different one.

Land Transfer Tax: This is the tax payable by the buyer to the province and/or municipality in which the transaction occurred upon transferring land. The amount varies depending on the region, the size of the land and other factors.

High-Ratio Mortgage: A high-ratio mortgage is a mortgage where the borrower has less than 20% of the home's purchase price to make as the down payment. A high-ratio mortgage with a down payment between 5% and 19% of the purchase price requires mortgage loan insurance. In Canada, 5% is the minimum amount required for the down payment.

Home Appraisal: A qualified professional provides a market value assessment of a home based on several factors such as property size, location, age of the home, etc. This is used to satisfy mortgage requirements, giving mortgage financing companies confirmation of the mortgaged property's value.

Home Buyers' Amount: This is a \$5,000 non-refundable federal income tax credit on a qualifying home, providing up to \$750 in tax relief to assist first-time buyers with purchase-related costs.

Home Buyers' Plan: A federal program allowing first-time homebuyers to withdraw up to \$35,000 interest-free from their Registered Retirement Savings Plan (RRSP) to help purchase or build a qualifying home. The borrowed amount must be repaid within 15 years to avoid paying a penalty.

Land Survey: A land survey will identify the property lines. This is not required to purchase a home, but it is recommended and may be required by the mortgage lender to clarify where on the property the owner has jurisdiction. This is important if issues arise between neighbours or the municipality, should the owner wish to make changes in the future such as installing a pool, fence or other renovations involving property lines.

Freehold Ownership: A form of ownership whereby you own the property and assume responsibility for everything inside and outside the home.

Porting: Transferring your mortgage (and the existing interest rate and terms) from one property to another.

Seller's Market: In a seller's market, there are more buyers than there are homes for sale. With fewer homes on the market and more buyers, homes sell quickly in a seller's market. Prices of homes are likely to increase, and there are more likely to be multiple offers on a home. Multiple offers give the seller negotiating power, and conditional offers may be rejected.

Virtual Deals: The home-buying process completed by means of technology in place of face-to-face contact. Some common digital tools include 360 home tours and video showings, video conference calls, e-documents, e-signatures and e-transfers.



RESOURCE GUIDE



EMERGENCY

In case of
emergency, call...

Children's Aid Society (Toronto Branch) - **416-924-4646**
(Durham) - **(905) 433-1551** Northumberland **(905) 372-1821**

Crime Stoppers - **1-800-222-8477**

Kids Help Phone - **1-800-668-6888**

Ontario Poison Centre - **1-800-268-9017**

Police, Fire, Ambulance Services - **911**



GET MOVING

when it comes
time to move...

DURHAM REGION

Door to Door Movers - **(905) 721-2828**

Two Men and a Truck - **(289) 206-3383**

EAST GTA

My Ninja Movers - **416-992-9998**

Best Movers Toronto - **416-947-8497**

Northumberland

Northumberland County Moving CO - **(905) 373-4668**

Stevenson Cartage & Moving - **(905) 372-5276**



JUST IN CASE

some phone
numbers you may
need, just in case!

Durham Region - **905-668-7711**

City of Toronto - **416-392-2489**

Northumberland - **905-372-3329**

Bell - **1-866-310-2355**

Rogers - **1-855-877-3824**

Thank
you

FOR CONSIDERING

TEAM PRATA REAL ESTATE

We appreciate your valuable time and genuine consideration.

At Team Prata, we provide unparalleled real estate services with a client-first approach, ensuring every buyer, seller, and investor experiences a seamless and rewarding journey. We offer expert guidance, market knowledge, and personalized strategies to help our clients achieve their real estate goals. Beyond the transaction, we provide our Lifetime Home Advantage, offering FREE access for life to moving trucks, tools, party supplies, and exclusive VIP perks when you buy or sell with us just once. Scan the QR code to see the full details of our VIP Club benefits.

Our core values are built on trust, excellence, and community. We believe in delivering top-tier service with integrity, professionalism, and innovation. By fostering lasting relationships and always putting our clients' best interests first, we create exceptional experiences that go beyond buying and selling homes. At Team Prata, we don't just help you find a house—we help you find home.