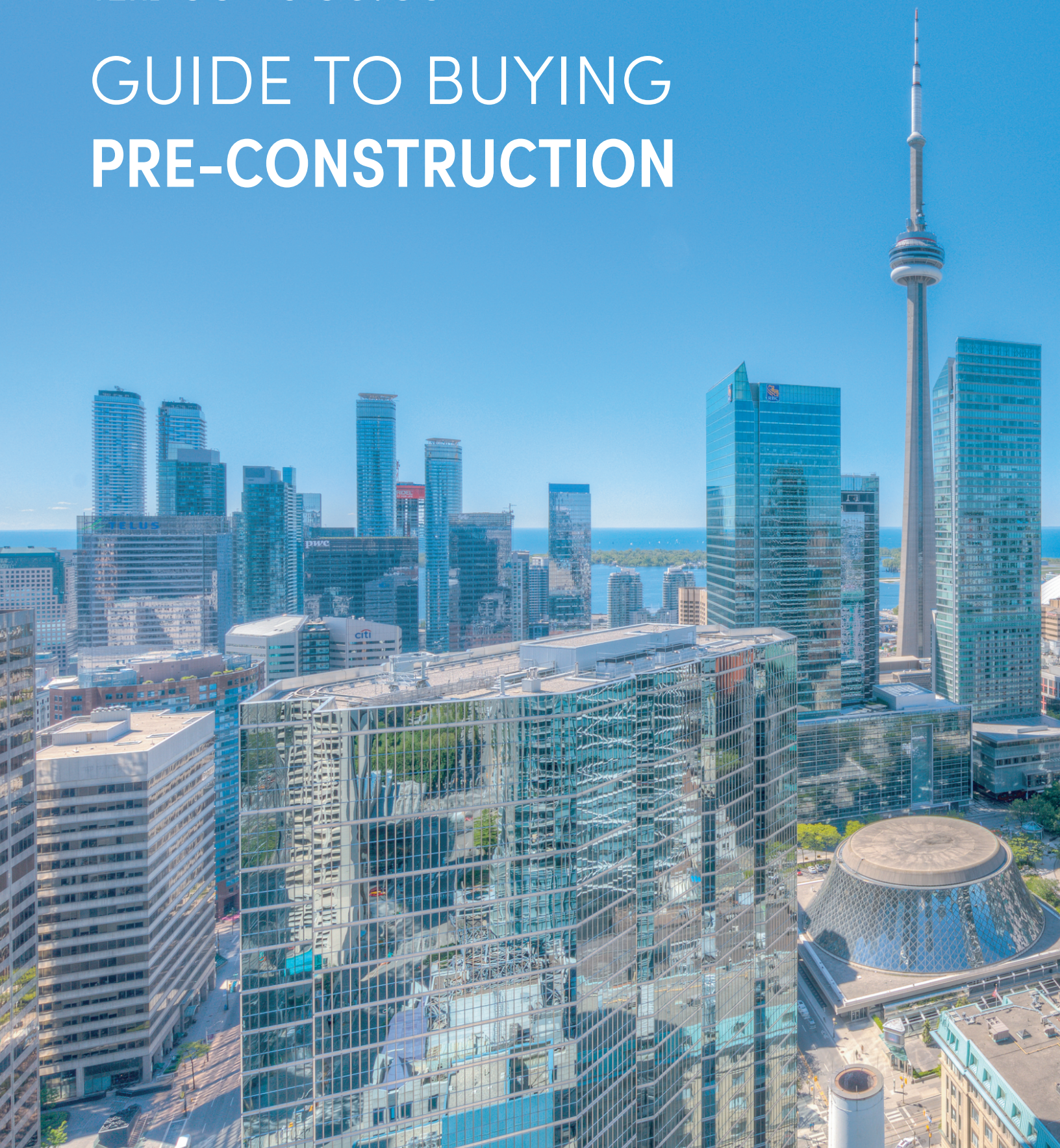




GUIDE TO BUYING PRE-CONSTRUCTION



CONDOS.CA STEP BY STEP PRE-CONSTRUCTION BUYING PROCESS

STEP 01



MAKE SURE YOU HAVE THE NECESSARY FUNDS IN PLACE FOR THE PURCHASE

As the buyer, you will be required to provide a cumulative deposit of 10–20% of the purchase price distributed over the first one – two years. The number of payment installments over the first one-two years will be dependent on the developer's deposit schedule. If the project is far from completion it will likely be drawn out over a longer period of time.

STEP 02



RECEIVE FLOOR PLANS AND PRICE LIST

At this stage, you'll receive the floor plans and price list. Choose which floor plan you prefer best. Select three (3) alternative suite options, which can include either floor plans or unit levels.

You'll also review the Deposit Structure (frequency & amount for payments). The closing date will be reviewed.

STEP 03



SUBMITTING A WORKSHEET

This is where you select your preferred top three (3) choices of floorplans.

The following personal information is required for submitting a worksheet:

- Government Photo ID
- Social Insurance Number (Not required for international buyers)
- Occupation
- Email & Contact Number

When submitting a worksheet, it is NOT a guarantee that you will be allocated any of your selected units. Worksheets are only a REQUEST for a unit, pending a confirmation from the builder.

Priority is given in the following:

- First come, first serve
- Demand for a particular unit
- Agent Access Level

It's critical that the worksheet is submitted promptly in order to prioritize the selection of your preferred unit.

STEP 04



UNIT ALLOCATION

If/when you are allocated a unit, your agent or the developer will inform you directly about which unit you've been allocated.

STEP 05



SIGNING THE AGREEMENT

Once you are happy with your unit allocation, the builder will schedule a time with you to meet at the sales office and sign the builder's Agreement of Purchase and Sale.

Post-dated cheques and government identification required upon signing include:

- Driver's License
- Passport
- Social Insurance Number

STEP 06



COOLING OFF PERIOD

The Cooling Off Period lasts a total of 10 days starting on the day of signing the Agreement of Purchase and Sale. During this time you should:

- Review the builder documents with a lawyer
- Speak with a financial institution or mortgage broker for mortgage qualification

During the cooling off period, you may rescind the contract and have your deposit returned in full. Once the builder has sold 70% of the units, construction will begin.

STEP 07



UNIT ASSIGNMENT SALE OPTION

Before the condo is completed, you (as the original buyer) can choose to sell the ownership of the Agreement of Purchase and Sale contract to someone else. This is called an "Assignment Sale."

Depending on the developer, units must be assigned 2 weeks – 2 months before final registration. Not all builders allow assignment sales.

STEP 08



PRE-DELIVERY INSPECTION (PDI)

Approximately 2-4 weeks prior to occupancy, the developer will contact you to inspect your unit with a builder representative to find and address any deficiencies.

STEP 09



INTERIM OCCUPANCY

Interim Occupancy refers to a period of time between occupancy and final registration in which you, as the owner, are required to pay occupancy fees to the builder. These fees are sometimes called "Phantom Rent."

Occupancy fees are divided into three (3) components:

- Estimated monthly maintenance fee
- Estimated monthly realty taxes
- Estimated monthly interest on the remaining balance of your unit's purchase price

STEP 10



BUILDING REGISTRATION

Several things need to happen before a building is registered:

- Building needs to be 50-75% occupied
- The Condominium Board is formed
- The City inspects the building to make sure it's built according to the plan they agreed on with the developer

Once these criteria are met, the building becomes "registered" and the final closing occurs. Title is transferred to you, and your mortgage is due. You now own the condominium unit.

Once the building registers, you are required to do another inspection of the unit and submit it with your Tarion Registration within 30 days of Final Registration.



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