porte homes

New Home Buying Guide.



PORTE.CA



porte homes

The perks of buying new

You get a place to call your own, and make uniquely yours.

THAT BRAND NEW, NEVER BEEN LIVED IN SMELL

You've worked hard to get here, so step inside and breathe it all in. When you buy before construction is complete, you can design your new home with the finishes you want. If that weren't enough, you'll also likely build up equity before you even move in.

COVERED BY TRAVELERS 2-5-10 NEW HOME WARRANTY

Chances are your new home will be the biggest single investment you'll make. That's why we're proud to partner with Travelers to offer comprehensive new home warranties on all Porte homes, including the appliances. It's peace of mind for your little piece of heaven.



The benefits of buying a porte home

Porte has been developing communities and enriching lives since 1968. And over the years, we've found great success by focusing on one important thing—you.

QUALITY HOMES

Decades of obsessive quality control, hard work and attention to detail have earned Porte a sterling reputation in our industry. With high quality fixtures and finishings, and a commitment to excellence, you can be confident your new home will look great today—and for years to come.

THE BEST CUSTOMER CARE TEAM

At Porte, customer experience is a thread that runs through every aspect of our business. From customers to suppliers, we treat everyone we do business with fairly and respectfully. We work hard to go above and beyond for our customers.

WE WILL BE THERE FROM THE START TO WELL AFTER YOU MOVE-IN

Think of us as your partners. We work hard to get everything right, and don't stop until it is. Our dedication to service doesn't end once the sale is finalized. In fact, we're just getting started! Our Customer Care Team will be there to look after your service requests throughout your warranty period.

WE CREATE COMMUNITIES WHERE PEOPLE LOVE TO LIVE, WORK AND PLAY

To be successful in our industry, you can't just build homes; you have to build communities. Porte prides itself in creating places where people love to live, work and play. What's more, we are also incredibly humbled to be able to help these communities and the people that call them home through our charitable efforts. As an owner of a Porte home you are becoming a part of the local community.

Before you even start shopping...

We recommend a few things before you begin house hunting.

TALK TO YOUR MORTGAGE BROKER OR A BANK

This is one of the most important steps in the home buying process. Getting pre-approved gives you a budget to work with and lets you shop with confidence. Our sales team can help introduce you to a mortgage broker.





...make a list + shop around

MAKE A LIST OF MUST HAVES AND NICE TO HAVES

It's important to recognize that you may have to make a few compromises when buying a home, but you should ensure you cover your must-haves.

There are obvious basics, like location and number of bedrooms or bathrooms. Then there are other important factors you might want to consider, like amenities, outdoor space or even the walkability of the neighbourhood.

SHOP AROUND

Make a list of the areas that interest you, then research other developments finished, nearing completion or being planned in and around it.

Don't hesitate once you do find the right place for you; missing out can be extremely frustrating.

Decided? Now let us walk you through the process

STEP 1: MAKE AN APPOINTMENT
(If you are working with a realtor, your realtor will book your appointment for you)

STEP 2: BRING PHOTO ID AND A CERTIFIED CHEQUE TO YOUR APPOINTMENT

STEP 3: OUR SALES EXPERTS WILL WALK YOU THROUGH THE CONTRACT

STEP 4: YOUR RIGHT OF RESCISSION PERIOD BEGINS

The 7 day Rescission period is your opportunity to do your due diligence. Chances are you have been pre-approved with a mortgage provider but now you can meet with your mortgage broker/bank to review the exact details of your financing and lock into a mortgage rate. It's important to schedule some quiet time to re-read the disclosure statement, as this document contains important information about all aspects of the development.

Here is a look at the next 7 days in the new home buying process.

DAY 1 OF 7 RIGHT OF RESCISSION PERIOD BEGINS

The 7 day Right of Rescission period begins after two steps are complete:

1. You (the purchaser) sign a form acknowledging that you've read the disclosure statement. This outlines critical information about the construction, builder, strata and budget, of your new home, amongst other details.

2. The contract of purchase and sale is signed, complete and, therefore legally binding. The 7 days begin once all terms have been agreed to by both parties.





DAY 2 OF 7 **CONFIRM YOUR FINANCING DETAILS**

We highly recommend that at this stage you receive your mortgage approval and lock an interest rate. This is your responsibility. You must also make certain that your mortgage broker is sent documentation pertaining to your contract. If you would like to be referred to one of our mortgage specialists, please don't hesitate to ask. We work with mortgage specialists who will help lock you into the best rates from now until completion.

IMPORTANT: If you would like us to provide your mortgage broker with a copy of the contract of purchase and sale please provide the sales team with their contact details and we would be happy to do so.

DAY 3 TO 6 **WE'RE HERE TO HELP!**

We are experienced real estate experts and are here to help and answer any questions you may have so please don't hesitate to contact the sales team at any time throughout your rescission period. It's better to ask questions as soon as they come up rather than leaving them until the last day of rescission.

DAY 7 OF 7 **SECOND DEPOSIT PAYMENT**

On the last day of your rescission period your second deposit is due. At 11:59pm on the 7th day of rescission your contract is firm and binding.

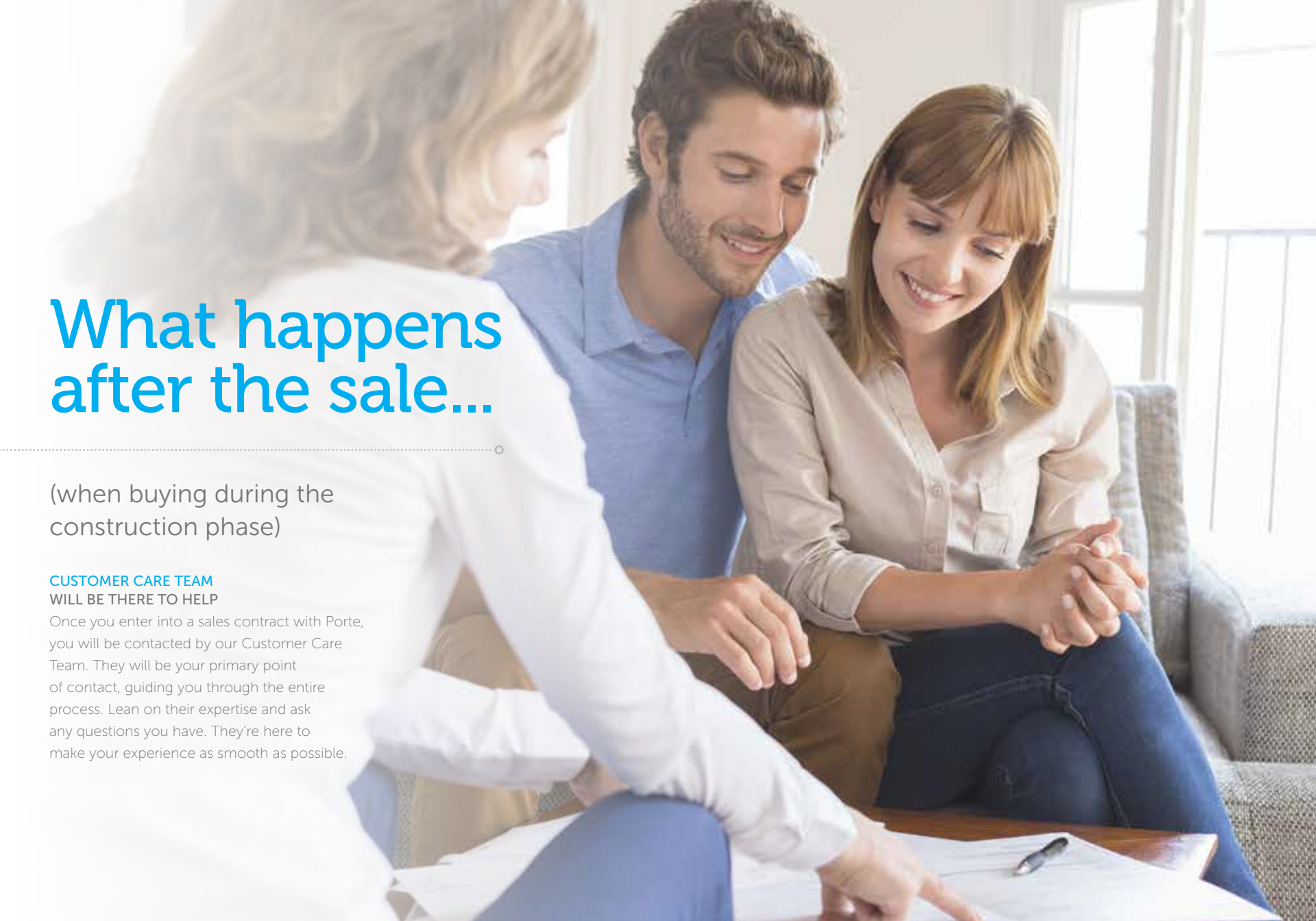
QUESTIONS? **JUST ASK**

Don't forget we are always here for you from now until you move into your new home, please don't hesitate to ask us for help.

So, what exactly is a disclosure statement?

It's an official document containing information on all aspects of the development. The developer is required to provide one before entering into a contract of purchase and sale.

Disclosure statements typically include a summary of total number of homes, parking and storage, features and amenities, proposed commencement and completion dates for construction and various governing documents and budgets for the first year of building operations after closing. It's important to remember that it is normal to receive amendments to your disclosure statement during the construction process, updating you on any changes.



What happens after the sale...

(when buying during the construction phase)

CUSTOMER CARE TEAM WILL BE THERE TO HELP

Once you enter into a sales contract with Porte, you will be contacted by our Customer Care Team. They will be your primary point of contact, guiding you through the entire process. Lean on their expertise and ask any questions you have. They're here to make your experience as smooth as possible.



...we'll help every step of the way

CONSTRUCTION UPDATES

Of course you want to keep up on the progress of your home's construction. That's why we'll email progress reports every two months minimum.

COMPLETION PROCESS

Approximately 2 months prior to your move-in day, your Customer Care Team will email you a notification about the completion process.

This is a good time to hire a lawyer or notary. They'll handle your closing documents, like title transfer, mortgage, property transfer tax forms and statement of adjustments. Our sales team can help find you a lawyer or notary.

WALK THROUGHS & HOME ORIENTATION

When you are about 1 month away from move-in, your Customer Care Team will email a link where you can schedule your walk through date. This walk through is an important part of the process, it is your first time to see your newly finished home. It also gives you a chance to make note of any finishing touches that we need to attend to prior to move-in day. You'll also learn how to use many of the features of your home, and have the chance to take any measurements you need for furniture.

COMPLETION DATE

You will receive your notice of completion date via registered mail and email 10 to 15 days prior to your completion date (refer to your contract for exact timing). Elevator bookings and a move-in checklist will also be a part of this package.

Typically, you'll meet with your lawyer or notary to sign documents and deliver the balance of your down payment 1 to 3 days before closing. You will also need to meet with your bank to sign your mortgage documents.

TAKE POSSESSION OF YOUR NEW HOME

Possession day is technically the day after completion. Porte's Customer Care Team will email a link where you can book your key turnover time. This is when you'll receive keys to your new home, sign warranty documents and get your parking stall and storage locker (if applicable).

Then all that's left to do is move-in and enjoy your new home!



Strata living: what you should know

Buying into a strata means buying into a community. As an owner, you can choose whether or not you want to be an active member of the council. Every building elects their own team of owners to work on council in partnership with their strata management company. During the first year after completion, the strata management company hired by the developer will be in place, but thereafter the strata has the right to change management companies.

The role of a strata management company is to organize strata meetings, distribute minutes, help the strata set budgets, change bylaws, maintain the building and ensure a peaceful community.

STRATA FEES AND BUDGETS

The first year of strata fees is set out in the disclosure statement. The budget is prepared by the strata management company and is approved by the developer.

It's normal for budgets to change slightly after the strata council is formed, as owners often want to make changes to suit their lifestyle. This may include things like opting for video surveillance cameras or adding extra landscaping services.

Your strata fees will typically include water, garbage and recycling removal, landscaping, building insurance, and cleaning and maintenance of common areas. Most exclude other utilities such as in-suite heating and cable. The services included in your strata fees are laid out in the disclosure statement.

BOOKING AMENITY SPACES

Each strata determines what fees (if any) will be associated with booking amenity spaces like guest suites, party rooms etc.



Relax. We'll take care of you

NEW HOME WARRANTY

All new Porte homes are covered by Travelers 2-5-10 year warranty. The first 12 months cover workmanship and materials, not including general wear and tear. The first 24 months include plumbing, electrical, heating, ventilation, air conditioning delivery and distribution systems. 5 years for building envelope and 10 years for structural defects.

INFO ON HOMEOWNER PORTAL

Porte is proud to offer all our customers access to our Homeowner Portal. It's an interactive, cloud-based platform, accessible from any where, at any time and from any device. Your homeowner portal is a fully searcheable resource that provides access to key home information such as warranty details and operating manuals. Your portal will also send you regular maintenance reminder emails and is the ideal place from where to send service requests for your home.

2 . 5 . 10



Common closing costs

Be sure to budget for these common closing costs.



LAWYER/NOTARY FEES

Legal costs for a purchase with a mortgage usually range between $800 – $1,200. These include professional fees, land title search, registration fees and miscellaneous office disbursements.

PROPERTY TRANSFER TAX (PTT)

PTT is a provincial tax applied to real estate purchased in B.C. Effective February 2016, when buying a brand new home all buyers are exempt from paying PTT for homes priced under $750,000. For re-sale homes the rate is 1% on the first $200,000 of the property's fair market value and 2% on the balance.

GST

GST is the Canadian federal tax payable by the first occupants of new properties. GST is charged at the rate of 5% of the purchase price and may be included in the total purchase price or added to it. As of April 2013, rebates are available if the buyer is going to use the property as a principal residence and is a resident of Canada. The full rebate is equivalent to 1.8% of homes priced $350,000 or less. For homes with a purchase price between $350,000-$450,000, the rebate is calculated on a sliding scale and no rebate is eligible above $450,000.

CLOSING ADJUSTMENTS

Closing adjustments are made on closing day. They are meant to cover prepaid expenses by the seller that the buyer will benefit from, and vice versa. They are usually for things like property taxes, municipal water and sewer fees or strata fees. For example, if the seller has paid for a full year of property taxes and the buyer closes in June, the buyer will pay for the second half of the year at closing.

CMHC FEES

The Canada Mortgage and Housing Corporation requires mortgage loan insurance by lenders when homebuyers make a down payment of less than 20%. This insurance premium can be paid in a single lump sum or it can be added to your mortgage and included in your monthly payments. Calculate your fees at cmhc-schl.gc.ca.

Glossary of real estate terms

BYLAW
Bylaws govern how a condominium corporation is run. They frequently cover matters like the election and duties of the board of directors, how meetings are conducted and the collection of condo fees. Provincial and territorial condominium legislation specifies what matters can be governed by bylaws. Legislation in some jurisdictions does not make a distinction between bylaws and rules.

COMMON PROPERTY
Common property are the portions of the condominium that are not owned by any individual purchasers. They are co-owned and generally shared by all the individual owners of the condominium corporation. They usually include such things as corridors, elevators, recreational facilities, playgrounds, lobbies, the grounds, parking and central heating and air-conditioning systems.

CONTINGENCY RESERVE FUND
This is a fund set up by the condominium corporation in a special account to cover the costs of major repairs and replacement of the common property elements over time. Usually it is at least 10 per cent of the corporation's total operating expenses, although criteria vary among provinces and territories.

CONDITIONAL OFFER
An Offer to Purchase that is subject to specified conditions, for example, the arrangement of a mortgage. There is usually a stipulated time limit within which the specified conditions must be met.

COUNTEROFFER
If, for example, your original offer to the vendor is not accepted, the vendor may counteroffer. This means that the vendor has amended something from your original offer, such as the price or closing date. As this new offer varies the terms of the original offer, this rejects the original offer.

DEPOSIT
Money placed in trust by the purchaser when an Offer to Purchase is made. The sum is held by the real estate developer's lawyer until the sale is closed.

EASEMENT
An interest in land owned by another person that benefits the person who has the easement, for a specific limited purpose (i.e. right of way permitting passage over a particular strip of land) such as with public utilities.

HIGH-RATIO MORTGAGE
A mortgage loan higher than 80% of the lending value of the property. This type of mortgage must be insured by CMHC or a private company to protect the lender against payment default.

LAND REGISTRATION
A system to record interests in land, including the ownership and disposition of land.

MORTGAGE
A mortgage is a security interest given in the property you are purchasing which secures repayment of the loan related to the property. That security interest is discharged on payment of the principal and interest owning on the loan in accordance with the mortgage document.

MORTGAGE LOAN INSURANCE
Mortgage loan insurance is required for residential mortgage loans with a loan-to-value ratio of more than 80%, and is available from CMHC or a private company. Because mortgage loan insurance protects the lender against losses in the event that a borrower fails to pay his or her mortgage, it enables more Canadians to purchase their home earlier, at competitive interest rates and benefit from the growth in home equity sooner.

PROPERTY INSURANCE
Insurance that you buy for the building(s) on the land you own. This insurance should be high enough to pay for the building to be re-built if it is destroyed by fire or other hazards listed in the policy.

PROPERTY MANAGER/STRATA MANAGER
The property manager handles the day-today running of the condominium, such as hiring of staff, maintenance and repairs. The property manager is under contract to the condominium corporation.

PROPERTY TAXES

Taxes charged by the municipality where the home is located, usually based on the value of the home. In some cases the lender will collect a monthly amount as part of the mortgage payment to cover your property taxes, which is then paid by the lender to the municipality on your behalf.

STRATA

You own the unit you live in (e.g. a highrise or lowrise, or a townhouse) and share ownership rights for the common areas of the building along with the development's other owners.

STRATA COUNCIL

Each condominium has a strata council that is elected by, and generally made up of, the unit owners. The council is responsible for administration and management of the condominium corporation, including policy and finances, as well as decisions about the maintenance and repair of the common property.

TITLE

A freehold title is an interest in land that gives the holder full and exclusive ownership of the land and building for an indefinite period. A leasehold title is an interest in land that gives the holder the right to use and occupy the land and building for a defined period.

TITLE INSURANCE

Insurance against loss or damage arising from a matter affecting the title to real property (e.g.: by a defect in the title or by the existence of a lien, encumbrance or servitude).

VARIABLE MORTGAGE INTEREST RATE

Fluctuates based on market conditions but the mortgage payment remains unchanged.

VENDOR

The seller of a property.

CMHC SCHL

Canada



Porte Communities
#100 – 33 East 8th Avenue
Vancouver, BC, Canada V5T 1R5

T (604) 732-7651
E homeownercare@porte.ca



PORTE.CA