

First-Time Home Buyer Guide

British Columbia · 2026

Wise Victoria Mortgages

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Step 1: Know Your Down Payment

Your down payment determines what you can afford, what programs you qualify for, and whether you need mortgage default insurance.

| Purchase Price | Min Down Payment | Example |
|------------------|----------------------------|--------------------|
| Up to \$500,000 | 5% | \$25,000 on \$500K |
| \$500K – \$1.5M | 5% first \$500K + 10% rest | \$75,000 on \$750K |
| Over \$1,500,000 | 20% | \$400,000 on \$2M |

Down payment must be verified with **90 days of bank statements**.

Step 2: Mortgage Default Insurance

Required when down payment is under 20%. Premium is added to your mortgage balance.

| Down Payment | Premium | On \$475K Mortgage |
|--------------|---------|--------------------|
| 5% – 9.99% | 4.00% | \$19,000 |
| 10% – 14.99% | 3.10% | \$14,725 |
| 15% – 19.99% | 2.80% | \$13,300 |

Step 3: Get Pre-Approved

A pre-approval tells you how much you can borrow, locks in a rate for 90–120 days, and shows sellers you are serious. All borrowers must pass the **stress test** — qualifying at the greater of your rate + 2% or the 5.25% floor.

Step 4: BC Programs for First-Time Buyers

Property Transfer Tax Exemption

No PTT on the first \$500,000 for homes under \$835,000. Partial exemption to \$860,000. Saves up to \$8,000.

First Home Savings Account (FHSA)

Tax-deductible contributions, tax-free withdrawals for a home. \$8,000/year, \$40,000 lifetime max.

Home Buyers' Plan (HBP)

Withdraw up to \$60,000 from RRSP tax-free. Repay over 15 years. Can combine with FHSA.

GST/HST New Housing Rebate

New builds: up to \$6,300 rebate on homes under \$350,000 (partial to \$450,000).

Home Buyers' Tax Credit

Federal \$10,000 credit providing up to \$1,500 in tax savings in your purchase year.

Step 5: Budget for Closing Costs

Closing costs typically run 1.5–4% of purchase price on top of your down payment.

| Item | Typical Range |
|----------------------------|---------------------------|
| Legal / Notary Fees | \$1,200 – \$2,500 |
| Title Insurance | \$250 – \$500 |
| Home Inspection | \$400 – \$600 |
| Appraisal | \$300 – \$500 |
| Property Transfer Tax | \$0 (exempt) – \$8,000+ |
| Property Insurance | \$1,000 – \$2,500 |
| Moving Costs | \$500 – \$2,000 |
| Total (\$600K home) | \$5,000 – \$12,000 |

Step 6: The Buying Process

1. **Get Pre-Approved** — Know your budget before looking.
2. **Find a Realtor** — A buyer's agent represents your interests.
3. **House Hunt** — View properties, open houses, research neighbourhoods.
4. **Make an Offer** — Written offer with conditions (financing, inspection).
5. **Remove Subjects** — Complete financing, inspection, other conditions.
6. **Hire a Lawyer/Notary** — They handle legal transfer and title.
7. **Completion Day** — Funds transfer, keys released. The home is yours.

Step 7: Documents You Will Need

- ✓ Government-issued photo ID (two pieces)
- ✓ 90 days of bank statements showing down payment
- ✓ Employment letter (position, salary, start date)
- ✓ Recent pay stubs
- ✓ T4 slips (last 2 years)
- ✓ CRA Notice of Assessment (last 2 years)
- ✓ Signed purchase contract
- ✓ Void cheque for mortgage payments

Getting Organized: Your Checklist

Complete these items before you start looking in earnest:

- Check your credit report (free from Equifax and TransUnion)
- Pay down credit card balances below 35% of your limit
- Save your down payment in a dedicated account
- Gather 90 days of bank statements
- Get your employment letter and recent pay stubs
- Request your last 2 years of CRA Notices of Assessment
- Set up a First Home Savings Account (FHSA) if you haven't
- Get pre-approved before you start house hunting
- Research neighbourhoods and price ranges

- Find a realtor you trust
 - Budget for closing costs (1.5–4% of purchase price)
 - Arrange home insurance before closing day
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Ready to Get Started?

We are happy to sit down and walk through every step with you in person.

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