

FIRST-TIME HOME BUYER GUIDE

Preparation, Strategy & Smart Buying for Your First Home



COLDWELL BANKER
EXECUTIVES REALTY

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ABOUT MONIKA

I have called South Surrey and White Rock home for 17 years — and there is no place I would rather be. Living at the beach, with my two rescue dogs and a deep love for this community, I understand exactly what makes this area so special to the people who live here.

My path to real estate is anything but ordinary. I studied marketing and communication in Munich and hotel management in Europe, then spent years working across Mexico, Europe, and Canada — building a career in sales and hospitality that spans over 30 years. I know how to read people, understand what they need, and communicate value clearly. That background shapes everything I do.

My father was a builder. I grew up surrounded by architecture, craftsmanship, and a deep appreciation for spaces — how they are designed, how they feel, and what makes them special. That eye for detail is something I bring to every listing and every search.

As a Realtor for the past 6 years, I have built my business across the Fraser Valley on one simple belief: every home has a story. And I know how to tell it right.

I am also a proud animal advocate — because how we treat the most vulnerable says everything about who we are.

THIS GUIDE IS AN ADDITION TO THE BUYER'S GUIDE

This guide complements the full Buyer's Guide, which covers the complete purchase process, contracts, timelines, and what to expect from first showing to keys in hand.

This guide focuses specifically on what makes buying your first home different — the programs available to you, the financial preparation required, and the mindset that will help you make a smart first purchase. Read both. Together, they give you the full picture.

BUYING YOUR FIRST HOME IS A BIG STEP — AND IT SHOULD FEEL EXCITING, NOT OVERWHELMING.

Most first-time buyers don't struggle because the process is too complicated. They struggle because no one has clearly explained what to expect, how to prepare, and what actually matters. That's exactly what this guide is here for.

My goal is simple: help you feel confident, informed, and fully prepared before you make one of the most important decisions of your life.

YOU MIGHT BE CLOSER THAN YOU THINK

One of the biggest misconceptions I see is: "I'm not ready to buy yet." In many cases, that's simply not true.

Buyers often assume they need a much larger down payment, a higher income, or perfect financial conditions before they can even start. But once they speak with the right professionals, they realize they were closer than they thought.

- qualify for more than expected
- can enter the market sooner

- or have options they didn't even consider

The goal is not to push you into buying — it's to give you clarity on what's actually possible.

THIS IS WHERE THE RIGHT GUIDANCE MATTERS

The difference is not just information — it's having the right people guide you through it. I work closely with trusted mortgage professionals to help you understand your real position, explore what options are available, and create a plan that fits your timeline.

Even if you're just thinking about buying — this is the step that gives you direction.

START WITH A CONVERSATION — NOT A COMMITMENT

You don't need to have everything figured out. You don't need to be "ready." You just need to understand where you stand and what's possible for you. From there, you can decide your next step — with clarity and confidence.

HOW MUCH DO YOU ACTUALLY NEED FOR A DOWN PAYMENT?

In Canada, the minimum down payment depends on the purchase price:

- Homes up to \$500,000 — minimum 5% down
- Homes between \$500,000 and \$999,999 — 5% on first \$500,000, plus 10% on the remainder
- Homes \$1,000,000 and over — minimum 20% down

So for a \$750,000 home, the minimum down payment would be $\$25,000 + \$25,000 = \$50,000$.

As of December 2024, first-time buyers in Canada can now access 30-year amortization mortgages — meaning lower monthly payments and greater purchasing power. This is a significant change for buyers entering the market today.

WHAT IS MORTGAGE DEFAULT INSURANCE?

If your down payment is less than 20%, your mortgage must be insured through CMHC or a similar provider. Many first-time buyers are surprised by this — but here is the important thing to understand: mortgage insurance is not a penalty. It is what allows you to buy a home with as little as 5% down.

The premium (2.8% to 4% of your mortgage amount) is added to your mortgage and spread across your payments — not paid as a lump sum. For most first-time buyers, paying insurance to enter the market sooner and start building equity is absolutely the right decision.

UNDERSTANDING THE MORTGAGE STRESS TEST

Every buyer in Canada must pass the mortgage stress test — meaning your lender will qualify you at a higher rate than your actual mortgage rate (currently the greater of 5.25% or your rate plus 2%). This ensures you can handle payments if rates

rise.

Get pre-approved early. Know your actual qualifying number. Work with a mortgage broker who can structure your application for the best possible outcome. I will make sure you are fully prepared before we ever look at a single property.

STEP 1 START WITH A MORTGAGE STRATEGY

Speak with a mortgage broker early — before you start looking at homes. I work with trusted mortgage professionals who structure your financing, prepare you for approval, and position you strongly.

STEP 2 UNDERSTAND YOUR FULL BUDGET

Plan for: down payment, closing costs, legal fees, inspections, and moving costs. As a general rule, budget an additional 1.5% to 4% of your purchase price for closing costs on top of your down payment.

STEP 3 DO YOU QUALIFY AS A FIRST-TIME BUYER?

You may qualify if: you have never owned, not owned in last 4 years, one partner qualifies, or buying after separation.

For current eligibility details, always refer to official sources — programs and thresholds change regularly:

- Government of British Columbia: www2.gov.bc.ca
- Canada Revenue Agency: www.canada.ca/en/revenue-agency

STEP 4 PROGRAMS & INCENTIVES — WHERE YOU CAN SAVE

As a first-time buyer in BC, you may be eligible for significant savings. Always check official sources for the latest eligibility requirements as these are updated regularly.

- PTT Exemption (BC) — full exemption on homes up to \$835,000. You could save up to approximately \$13,000. → www2.gov.bc.ca
- RRSP Home Buyers' Plan — withdraw up to \$60,000 tax-free (\$120,000 as a couple) toward your down payment, repayable over 15 years. → www.canada.ca
- First Home Savings Account (FHSA) — contribute up to \$8,000/year, \$40,000 lifetime. Tax-deductible contributions, tax-free withdrawals. No repayment required. → www.canada.ca
- Home Buyers' Tax Credit — claim up to \$10,000 on your first tax return after purchasing, resulting in up to \$1,500 back. → www.canada.ca
- GST New Home Rebate — if purchasing a newly built home, you may qualify for a partial rebate of the 5% GST. → www.canada.ca

Programs, thresholds, and eligibility rules change. Always verify at the official government websites listed above, or ask me — I will connect you with the right professionals to confirm exactly what you qualify for.

STEP 5 STRUCTURE YOUR FINANCES PROPERLY

We review: RRSP strategy and withdrawal timing, FHSA setup and contribution plan, savings vs liquidity, and the long-term financial impact of your purchase.

A DIFFERENT WAY TO THINK ABOUT YOUR FIRST HOME

One of the biggest mistakes first-time buyers make is believing their first home needs to be perfect. The reality is — it usually isn't. And it doesn't need to be.

Your first home is often a starting point, not the final destination. It's the step that allows you to:

- enter the market
- start building equity
- gain experience as a homeowner
- create options for your next move

Many of my clients don't buy their "dream home" first — they buy a home that works for them right now and positions them well for the future. Over time, that first purchase can become a stepping stone to a larger home, a move into a better location, or even an investment.

Waiting for the perfect home often means missing opportunities, staying on the sidelines, or watching prices move ahead of you. The goal is not perfection — the goal is making a smart decision that moves you forward.

WHAT TO LOOK FOR IN YOUR FIRST HOME

- Resale potential — is this a home that will be easy to sell in 5 to 7 years?
- Neighbourhood trajectory — is the area improving? New amenities and development are signs of a neighbourhood on the rise.
- Strata vs. freehold — understand monthly fees, bylaws, and the strata's financial health before you buy.
- Suite potential — a legal secondary suite can significantly offset your mortgage.
- Condition vs. cosmetics — paint and flooring are easy. Roof and foundation are expensive. I will always guide you on the difference.

STEP 6 ORGANIZE DOCUMENTS

Have these ready before meeting your mortgage broker: proof of income (pay stubs, T4s, Notices of Assessment), last 2 years of tax returns, bank and investment statements, government-issued photo ID.

STEP 7 KEEP FINANCES STABLE

Once the mortgage process has started, avoid: new debt or credit products, big purchases before closing, changing jobs without speaking to your broker first.

STEP 8 DEFINE YOUR NEEDS

Clarify: lifestyle, location (proximity to work, schools, transit), property type (condo, townhouse, detached?), and must-haves vs. nice-to-haves.

STEP 9 YOUR HOME SEARCH

Access listings and full search tool at www.monikaherzighomes.com. I will pre-screen properties, attend every showing with you, and guide you on value, red flags, and resale potential.

STEP 10 BE READY TO ACT

Prepared buyers move faster, decide better, and compete stronger. In today's Fraser Valley market, the buyers who succeed are the ones who have done the work before they find the right home — not after.

HOW I HELP

- clear guidance every step of the way
- trusted network of mortgage brokers, inspectors, and lawyers
- strong strategy tailored to first-time buyers
- full support from first conversation to possession day

LET'S GET STARTED

Your first home is one of the most exciting milestones you will ever reach. I am here to make sure you get there with confidence, clarity, and the right support — every step of the way.

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