**ARTICLE 4 – 500 WORDS**

**Your Home Purchase**

**All the fees that you pay** (or) **Services and Fees checklist**

As you make the important decision to purchase your home, it is essential to be aware of the fees you would pay to the individual institutions and members involved in the process.

**Major realty companies and fees**

* Re/Max
* Royal LePage
* Century 21
* Sutton

Real estate agents are typically paid between 4% and 5% commission of the selling price by the seller.

Buyers pay no fees to realtors.

**Services and fees**

**Broker/banker**: Your mortgage broker or banker will help you through the pre-approval process and find a mortgage product that meets your needs and future plans. Fees: The fees for broker services are usually paid by the lender. Banks make their money in the interest they charge to lend you money.

**Lawyer**: Your lawyer will help protect your legal interests and review your offer to purchase to help you negotiate the terms. He or she will write clauses that protect your best interests, delete hidden charges, and allow you to close the deal and obtain a mortgage.

Fees: Depends on the complexity of the transaction and the lawyer’s experience.

**Home inspector**: Your home inspector will inform you of the property’s condition, by inspecting all major systems and structures in the home.

Fees: Varies depending on size and condition of property. About $400 to $500.

**Home appraiser**: Your home appraiser will determine the value of your home. It should include an unbiased assessment of the property, an analysis of recent comparable sales and an assessment of current market conditions affecting the property.

Fees: About $300, paid by the buyer, and often required by the lender.

**Insurance broker**: Your insurance broker will find you the right insurance policy from an array of insurance companies based on your needs and eligibility for discounts. Fees: Base rates will vary from $500 to $1,000 a year, based on the company. But homeowners are eligible for up to five 10% to 15%, depending on your age, the age of the home, if there’s a burglar alarm, if you’ve had insurance for three years with no claims or if you’re buying a home without a mortgage. A 2000-square-foot home, insured for about $400,000, might cost the homeowner $600 or $700 a year for a homeowner’s insurance package.

*Source: Canadian Real Estate and Canada Mortgage and Housing Corp.*

**Choosing a lawyer**

Finding a lawyer (or a notary in Quebec) to protect your legal interests when buying a home is important. But there are many to choose from. Here are some questions to ask when searching for a lawyer:

1. Are you a full-time lawyer licensed to practice in this province/territory?
2. Do you specialize in real estate law or is it one of the areas you work in most of the time?
3. What is your fee schedule?
4. What services will you provide for me?
5. Do you participate in the price negotiation process?
6. Can you provide me with the names and telephone numbers of three of your recent clients who purchased homes?
7. How do you keep current in your field?
8. What tasks are usually assigned to your assistants?
9. Is there anything I haven’t asked about you or your firm that you think I should know?

*\*Source: Canada Mortgage & Housing Corp*.

**Call-out box**:

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