

What to consider when buying a home

Categories : [First-time homebuyer](#), [Rebate Blog](#)

For many first-time homebuyers, the prospect of purchasing a home can be one heck of an intimidating process. With years of savings being put on the table, there are some high stakes to ensure that you get the purchase right.

Millennials will face a tougher time in the housing market than their parents, [according to a recent BMO report](#). In 2011, the average price of a home is more than 10.4 times the median income of a household, which this ratio is more than double what it was three decades ago for Gen X. While Millennials may have the advantage of much lower interest rates compared to the previous generation that handled mortgage rates in the double digits, they are at a disadvantage with the higher housing costs. In housing markets such as Toronto and Vancouver, Millennials are unable to afford detached homes, unless they have some financial help.

Meanwhile, here are a few things homebuyers need to consider when purchasing their property.

Affordability

This is a key question for many home buyers to consider, especially since it determines what houses you should be looking at during the shopping process. There are numerous mortgage calculators that will give you an idea of how big a home you can afford with your income or your and your partner's income. Another good strategy is if you're watching mortgage rates and there's a good deal you want to take advantage of, you can get a pre-approved mortgage from a mortgage specialist which locks in that rate for a certain period time. This way you know how much of a house you can buy and you can have a mortgage at the interest rate you want.

While if you plan to purchase a newly built property as your personal space or on an investment property, your [potential HST rebate money](#) won't be factored into your mortgage calculations.

What do you want in a home?

Every person has their own perception of how they want their home to look. If you're shopping with a partner, it's important that you both negotiate on aspects you want in your home, which most importantly considers how many people will be living in the space.

Something else to consider is that if the homes you are looking at don't have what you're looking for, will you be able to renovate the space in the future. It can be difficult to imagine changing something in front of your eyes, but if what you're looking for in a home is rare then there's always a possibility that you can renovate the space when you own it if it has the basic nuts and bolts you

need.

Schools

A key concern for many parents is what education and schools are around the area you want to purchase. Seeing how well schools do on EQAO is one measurement for parents, but there's also other specialized programs such as French immersion, International Baccalaureate or sports programs that may attract students too.

Safety

It's always important to feel safe in the neighbourhood you live in and owning a property in a neighbourhood with low crime rates is ideal for many families. Police organizations offer data breaking down criminal activity based on its type and the neighbourhood it occurred. Media have also used this data to create maps and visual representations of crime in different neighbourhoods, which can be a great help in explaining the data you're reading.

What's in your neighbourhood

This ranges from needing a nearby park for your kids to play during the evenings, a nearby grocery store to pick up ingredients for dinner or a nearby mall for entertainment. If you don't have vehicle and don't plan to buy one, the needs in your general vicinity will make a big difference to whether or not you purchase the home. The [Walk Score](#) is a website that gives you great details on what's in your surrounding area, what people are saying about the neighbourhood and a score that shows how good the neighbourhood's walkability is compared to others.

Infrastructure

It's always important to consider how long your commute will be from wherever you decide to live and how much that will cost you. If you work from home, lucky you, house shopping just became that much easier (though a quiet neighbourhood also helps) and you're among 1.1 million lucky Canadians. Meanwhile, if you drive to work, use the bus or ride your bike, it's important to know how long these options will take and whether you'll be able to handle the commute. [Statistics Canada recently released a study](#) that found the average commuting time for some Canadian cities and if you live in Toronto, congratulations you have the longest average commute time of 32.8 minutes.

Commute time also influences your childcare options and you'll need to decide whether someone stays at home to take care of the kids, whether you hire a babysitter, rely on your in-laws or leave them at daycare. These options could also cost you extra money so it's important to factor them into your decision.

Buying a home is an expensive investment and it makes sense to look to determine if an [HST](#)

[rebate can help you recoup some of your costs](#). With a [busy spring and summer real estate market on the horizon](#), [Rebate4U](#) can help you receive the [most HST housing rebate that you're eligible for](#). Our priority is to provide our clients with the most professional and quality service in obtaining rebates for their new and renovated homes. We are proud to offer our clients the most personal and attentive service, and we make sure that all of our clients are 100% satisfied.