

BUYER'S GUIDE

# 8 Mistakes to Avoid When Buying a Home

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What every GTA buyer needs to know before making an offer



## INTRODUCTION

Buying a home is one of the biggest financial decisions you'll ever make — and in the GTA, the stakes are especially high. A few common mistakes can cost you tens of thousands of dollars, cause serious delays, or leave you stuck in a home that doesn't actually work for you. Here are the eight mistakes I see buyers make most often, and how to avoid them.

# 01

## Skipping Mortgage Pre-Approval

Pre-approval is not the same as pre-qualification. A pre-approval means a lender has actually reviewed your income, credit, and finances and committed to a specific amount. Without it, you don't actually know your real budget — and in a competitive GTA market, sellers won't take you seriously. Get pre-approved before you even start looking.

### TIP

*Pre-approval typically locks in a rate for 90 to 120 days. If rates drop before you close, you can often renegotiate. If they go up, you're protected.*

# 02

## Forgetting About Ontario's Land Transfer Tax

Ontario has a provincial land transfer tax on every purchase — and if you're buying in the City of Toronto, you'll pay it twice. On a \$900,000 home, the combined Toronto LTT alone can exceed \$30,000. First-time buyers get a partial rebate (up to \$4,000 provincially, up to \$4,475 in Toronto), but you still need to budget for the rest of it well before closing day.

# 03

## Waiving the Home Inspection to Win a Bidding War

During hot markets, buyers sometimes remove the home inspection condition to make their offer more competitive. This is a significant risk. Older Ontario homes — especially anything built before 1980 — can have serious issues: knob and tube wiring, galvanized plumbing, foundation cracks, and vermiculite insulation. An unexpected repair bill can easily run into the tens of thousands. If you're in a bidding war, consider a pre-inspection before offer night instead.

# 04

## Underestimating Total Closing Costs

Most buyers budget for their down payment and forget about everything else. Closing costs in Ontario typically add another 1.5% to 4% of the purchase price on top of your down payment. That includes land transfer tax, legal fees, title insurance, home inspection, property tax adjustment, and HST on CMHC insurance premiums. See our companion guide, *\*Buying a Home: What Expenses to Expect\**, for a full breakdown.

## 05

### Not Using a Buyer's Agent

In Ontario, the seller typically pays the buyer's agent commission — meaning you can have professional representation at no direct cost to you. A good buyer's agent negotiates on your behalf, knows the local market, reviews comparable sales before you make an offer, and helps you avoid costly mistakes. Going in without one is like showing up to court without a lawyer.

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## 06

### Letting Emotions Override the Numbers

It's easy to fall in love with a home and start rationalising an offer price that doesn't make sense. The GTA market can move fast and create a false sense of urgency. Before you make any offer, look at the comparable sales data and know exactly what the home is worth. There will always be another house. Don't overpay because you're afraid to walk away.

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## 07

### Ignoring Future Resale Value

Even if this is your forever home, life happens. Job changes, family growth, relationship changes — all of it can force a sale earlier than expected. Pay attention to proximity to transit, school ratings, lot size, and neighbourhood development plans. A home that works for you today needs to be sellable tomorrow.

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## 08

### Not Reading the Status Certificate (Condos)

If you're buying a condo in Ontario, you have the right to a status certificate review. This document tells you the health of the condo corporation — reserve fund balance, any special assessments, outstanding liens, and bylaws. A condo lawyer can review it in a day and it costs around \$200 to \$300. Skipping it could mean inheriting someone else's financial problem.

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### Ready to take the next step?

Let's talk about your situation. I work with buyers across the GTA and specialise in helping people make confident, informed decisions in this market.

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