

Home buying guide

Buying a home is a very exciting time, however careful planning is important to make the journey a rewarding one. Here's a step by step guide to help you turn the keys to a new home sooner.



[Mortgage Calculator](#)

[Document Checklist](#)

[Mistakes to Avoid](#)

Determine your reason for purchasing a home

Why are you purchasing a home, and how long do you plan to stay there? Do you want the property as a family home or perhaps one that can produce income? Are you looking to move within five or ten years?

The longer you plan to live somewhere, the more it makes sense to buy and build equity over time. Carefully consider your current personal and work situation and determine your current and long-term plans for your home. This can help you decide which house to purchase in what neighbourhood and what type of mortgage or financing you'll need.

Speak to a CIBC FirstCaribbean Relationship Manager

Your journey to owning your home should start with your Relationship Manager. Mortgages are long-term relationships, and you'll want to be confident that your mortgage provider offers a strong combination of quality service, competitive pricing and financial solutions. Consider the experience, reputation and strength of the company.

It doesn't always pay to go with the lowest rate; a mortgage has to make sense for you and your lifestyle. The amortisation period, payment options, closing costs and fees can all contribute to a higher overall cost of the loan, so consider this when selecting your mortgage provider.

Get pre-qualified

Getting pre-qualified is helpful because it usually provides a strong indication of how much you can afford and aid you in the house selection process by:

1. Helping you to limit your search to homes you can actually qualify for
2. Providing credibility with sellers and real estate agents as they are more likely to believe you are serious about purchasing a home

As you discuss the financing for your home purchase, it's important to note that you can count on CIBC FirstCaribbean to be a responsible lending institution. Our finance options include competitive rates and affordable monthly payments to ensure you can still enjoy a good quality of life.

Find a Realtor in our Realtors Hub

A real estate agent plays an important role in your search for a new home. Agents can provide you with helpful information on homes and neighbourhoods that may not be easily accessible to the public. Their knowledge of the home buying process, negotiating skills, and familiarity with the area you want to live in can be extremely valuable. Best of all, it doesn't cost you anything to use an agent – they're compensated from the commission paid by the seller of the house. Your CIBC FirstCaribbean Relationship Manager can connect you with one of the top real estate agents in your area or you may search our Realtors Hub online. You also have the option of selecting your own Realtor.



Find a home and make an offer

Once you've found an affordable property you like—congratulations! Now it's time to make an offer through your real estate agent. Your real estate agent can guide you through this process and let you know if there are multiple or higher bids. Ask your real estate agent for details on recent sales of similar homes in adjacent neighbourhoods—what price per square foot did they sell for, and did they sell above or below the original asking price? Also consider how long the home has been on the market and get a feel for the seller's motivation. Do they seem eager to sell? Have they already lowered the asking price? Once you and the seller have decided on a price, engage your CIBC FirstCaribbean Relationship Manager to finalise your loan application.

Submit your documentation

Once you choose a property, submit all the required documents as quickly as possible. Your CIBC FirstCaribbean Relationship Manager will advise you of the documents required; however we have outlined the main documentation required below:

- National identification card or valid passport
- Recent utility bill (less than 3 months old) or recent statement from a financial institution for address verification
- Job letter (must include remuneration, office held, length of employment)
- Most recent pay slip
- Last 3 months bank/credit union statements for the following:
 - ✓ Savings and chequing accounts
 - ✓ Loan and credit card balances
 - ✓ Hire purchase accounts
 - ✓ Credit bureau report (if available)
- Proof of down payment and closing costs (evidence of funds that will represent your financial contribution)
- Copy of signed purchase agreement
- Valuation/Appraisal report on property being purchased (report will be requested by CIBC FirstCaribbean)

Self-employed applicants

- Last three years' financial statements to include:
 - ✓ Profit & Loss statements
 - ✓ Balance Sheet
 - ✓ Cash Flow
 - ✓ Notes to Financials
- A full set of tax returns for the last three years



Application and underwriting process

It is time to finalise and submit your mortgage application. We will evaluate your application through a process called underwriting. The goal is to assess your ability to pay back the money you've requested in your application. Doing so requires a check of your credit score, income, assets, and past and current debts. We will also confirm that you have sufficient funds to cover your legal fees and closing costs.

CIBC FirstCaribbean will provide status updates and let you know if we need anything more from you. To ensure this process runs smoothly, make sure you are responsive to requests from your Relationship Manager as we review and evaluate your application. More information may be required to support items already submitted.

Get a good lawyer/solicitor on board

Getting good legal advice is very important when buying a property. This can make all the difference in the hectic final weeks of a home purchase. It is useful to know exactly what a lawyer/solicitor does for you when you buy (and/or sell) a home. This process is called conveyancing, and the complexity of it can take even seasoned homebuyers by surprise.

Conveyancing involves all the legal aspects of transferring the ownership of a property from a seller to a buyer. This will include checking the title to the property, preparing the mortgage documents, receiving the money to pay for the purchase, paying it to the seller's solicitor, and negotiating with the seller's solicitor in the event of any dispute. Your lawyer/solicitor can also advise you on the negotiation process and the sales/purchase agreement and include the appropriate conditions so that you can check the property thoroughly to make sure everything is up to your expectations. Feel free to contact your lawyer/solicitor regularly for progress updates, and to ensure that there's nothing they are still expecting from you.

CIBC FirstCaribbean has a panel of approved lawyers who carry out mortgage transactions. You have the option of using a lawyer from our panel or obtaining your own externally.

Appraisal of the property to be purchased

CIBC FirstCaribbean will request a valuation report on your behalf from an appraiser from our approved list. You are responsible for paying this cost. The appraiser will provide an independent estimate of the value of the property you are buying and let all the parties involved know whether you are paying a fair price for the property.

Get your insurance in order

You will need to ensure you have both life and home insurance in place. Your CIBC FirstCaribbean Relationship Manager can assist you in obtaining your insurance. An insurance provider may request you do a medical examination before agreeing to provide life coverage. This can take some time so make sure you commence this early to avoid delaying the process. When selecting the coverage amount for your house insurance, keep in mind that the replacement cost on the home may be quite different from its market value.

Closing and signing your mortgage agreement

Closing is the final step when purchasing a home. This is when you will assume legal ownership of the property from the seller. Your CIBC FirstCaribbean Relationship Manager will provide you with a detailed list of closing costs in an estimate.

However we have also provided a list of what this cost can include:

- Deposit/contribution
- CIBC FirstCaribbean's negotiation fee
- Appraisal report fee
- Legal fees
- Stamp duty
- Life insurance for the full value of the loan
- Home insurance
- Mortgage indemnity insurance (not applicable for land purchases). If your deposit/contribution is less than 20% of the cost of the property you will need to obtain additional insurance.

At this time you will be required to sign all your mortgage documents. You will also visit the office of your lawyer/solicitor to finalise the closing. You'll want to make sure you have personal identification, any other required documents, along with the payment to cover your closing costs.

Get the keys to your new home

Congratulations on your new home! Should you require any assistance in reaching other personal goals such as pursuing higher education or purchasing a vehicle, speak with your Relationship Manager.



To get started on the journey to home ownership, call **1 866 743-2257** and speak with a Relationship Manager.

For a checklist of the documents required for your mortgage discussion with us, please [click here](#).

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