

Home Buyer's Guide:

Your Journey to Finding the Perfect Home in the Merritt, BC

Welcome to this comprehensive home buyer's guide for Merritt, BC! Whether you're a first-time buyer or looking to upgrade, this guide will walk you through the entire process—from budgeting and mortgage basics to choosing the right neighborhood and making an offer. I'll cover the key steps like getting pre-approved, understanding closing costs, and sharing some tips for a smooth move. Let's get started on your exciting journey to finding your dream home in Merritt!



@movingtomerritt

real

Welcome from Jared

Hi there! I'm Jared Thomas, your go-to real estate agent here in Merritt, BC. Whether you're actively house hunting or just starting to explore your options, my goal is to make the process as smooth and enjoyable as possible. I've lived in Merritt for years and know the market and neighborhoods inside and out. I'm here to help you every step of the way—from figuring out your budget to handing over the keys to your new home.

Starting the home buying process can feel overwhelming, but I'm here to guide you. We'll begin with a chat about your needs, preferences, and budget. From there, if you don't have a mortgage broker yet, I can connect you with some top-notch professionals who can help. Once you're pre-approved and ready to go, we'll dive into finding a home that fits your lifestyle and checks all your boxes.

Whenever you're ready, I'm here to help!

Jared



@movingtomerritt

real

The Home Buying Process: Step by Step

1 Step 1: Determine Your Budget

Before anything else, take a look at your finances and figure out how much you can comfortably spend on a home. Consider not only the purchase price but also ongoing costs like property taxes, insurance, and maintenance. A good rule of thumb is to aim for a home that fits within 30-40% of your monthly income.

2 Step 2: Get Pre-Approved For A Mortgage

Once you know your budget, it's time to get pre-approved for a mortgage. This step shows sellers you're serious and gives you a clear idea of how much financing you can expect. Talk to a mortgage broker or your bank to explore your options. It's also smart to get a "rate hold" when you're getting your pre-approval started. Mortgage brokers can often hold a rate for you for 90-120 days depending on the lender they pair you with. (Pro tip: I have a short list of trustworthy brokers I'd be happy to connect you with!)

3 Step 3: Start Your Home Search

Now the fun part begins—searching for your perfect home! Use online tools, drive through neighborhoods, and attend open houses to get a feel for what's available. Make a list of must-haves and nice-to-haves to narrow down your options. I can also give you access to a "backdoor" to our MLS system that allows you to get in, search around, and see what homes are selling for in neighbourhoods that you like.

4 Step 4: Making An Offer

When you've found the right home, it's time to make an offer. Your offer should include not just the price but also any conditions, like financing or home inspection. I will guide you through this process to ensure you're fully protected and everything addressed in the offer is in your best interest. You'll also be including a monetary deposit with your offer so make sure you've got some money that's easily accessible set aside for this.

5 Step 5: Home Inspection And Conditions

After your offer is accepted, if you were able to include conditions like a home inspection and financing, now is the time to schedule your inspection to ensure there are no hidden surprises. This is also the time to finalize conditions like securing financing or resolving any repairs or issues that arise from the inspection. Generally these conditions are about two weeks long so this is what we call "crunch time" or doing your homework!

6 Step 6: Finalizing The Deal

Once the conditions are met, you're in the home stretch! We call this part "Firming up". Your conditions will be fulfilled and you'll sign a document stating that you're ready to proceed with closing on the home. Between now and your closing date, you'll be tasked with getting your homeowners insurance finalized and switching the utilities into your name.

7 Step 7: Moving In

You'll need to sign the final paperwork with your lawyers office, pay closing costs and the balance of your downpayment be sure you're all packed up for moving day. Then, get ready to enjoy your new home!

Understanding Mortgages

Understanding mortgages can feel overwhelming, but breaking it down into simple terms can help. Here's what you need to know about the different types of mortgages, why pre-approval is so important, and how to estimate your payments.

Fixed Vs. Variable Rate Mortgages

Fixed Rate Mortgage: This type of mortgage locks in your interest rate for the entire term (usually 1 to 5 years). Your monthly payments will stay the same throughout, making it easier to budget because you always know what you owe. It's ideal for those who prefer stability and predictability.

Variable Rate Mortgage: With a variable rate mortgage, your interest rate can fluctuate based on the market. When rates are low, you can save money on interest, but if rates rise, your monthly payments may increase. This option can be riskier but may offer lower rates initially.

Mortgage Terms And Amortization

Term: The mortgage term is how long your mortgage agreement lasts before you'll need to renew or renegotiate. Terms can range from 1 to 10 years, but most are between 3 to 5 years. You aren't paying off your mortgage during the term; you're just agreeing on the conditions for that period.

Amortization: This is the total length of time it will take you to fully repay your mortgage, typically 25 to 30 years. A shorter amortization period means you'll pay off your mortgage faster, but your monthly payments will be higher. A longer amortization results in lower monthly payments, but you'll pay more in interest over the life of the mortgage.

The Importance Of Pre-Approval

Getting pre-approved for a mortgage is a key step before starting your home search. Pre-approval means a lender has assessed your finances and agreed to lend you a specific amount at a set interest rate. This helps you understand exactly what you can afford and shows sellers you're serious, which can make your offer stand out in competitive markets. Additionally, pre-approval can save time by speeding up the mortgage approval process once you've found your home.

Estimating Your Payments with Mortgage Calculators

Online mortgage calculators are a great tool to help you estimate your monthly payments. You'll input details like the home's price, your down payment, the interest rate, and the amortization period. This can help you plan your budget and understand what your monthly financial commitment will look like. Don't forget to account for other costs like property taxes, insurance, and potential maintenance when calculating what you can afford.

Choosing the Right Neighborhood in Merritt and Area

Finding the perfect home is just as much about the neighborhood as it is about the house itself. Here are some important factors to consider when choosing the right neighborhood for your lifestyle:

1 Schools

Whether or not you have children, living near good schools can impact your home's value and future resale potential. Research local schools, their ratings, and any nearby daycare options if relevant to your family.

2 Transportation

Just kidding, everything in Merritt is 5-10 minutes away with minimal traffic. However, if you like to travel major highways and public transportation should be nearby. Easy access to bus routes can make life easier, or if you need to be close to certain amenities.

3 Parks and Green Spaces

If you enjoy outdoor activities, walking your dog, or just spending time outside, proximity to parks and green spaces is key. Merritt's old motto was 'A Lake a Day, as long as you stay' and is known for its beautiful parks and trails, so take advantage of those features when choosing your neighborhood.

4 Community Feel

Every neighborhood has its own vibe. Most are quiet and family-oriented. Visit the area at different times of the day to get a feel for what it's like to live there. Do the neighbors seem friendly? Is it busy or peaceful? Choose a community that matches your preferred lifestyle.

Here's a quick look at some of the most popular neighborhoods in Merritt to help you get started:

Merritt

The Bench: The most attractive neighborhood in Merritt and located on a plateau (hence the nickname) - close to Bench Elementary, the hospital, nature trails, restaurants and amenities. It features a range of house ages from the 1960s - 2000s.

Grandview Heights/ Spring Bank: A sub-area of the bench, this area features newer builds from the 2000s, 2010s, and 2020s. New builds meet spectacular views, prepare to spend a little more but for it to be worth it!

City Centre: Located closer to 'downtown' you can expect easy access to shops, restaurants, schools and amenities, with homes varying in age from some of the first homes in Merritt 1910/20s to new builds.

Colletville: Across the Coldwater river lies this area, a mix mash of trailers on their own land to modern builds and luxury houses overlooking the Collett Ranch. French Immersion School, Rodeo Grounds, and Commercial area lie this way as well.

Diamondvale: Located on the east-side of Merritt - this neighborhood greets you on your way in from exit 286. Known to be more family and rental friendly, it features a couple of schools, a corner store, some commercial area along the highway and homes aged from the 1950s to the 1990s.

Lower Nicola: Looking for a little more land, and a little less neighbors. Than this is the place for you with many lots being around an acre, but be prepared to have a well and septic on the property. Can also have a small farm if that's your wish!

Monck Park/Stump Lake: If you want lake front, luxury living than look no further than these lovely lakes. Some are summer homes, but you have the ability to live there year round!

Any area offers fantastic neighborhoods with unique benefits. Whether you're drawn to the small-town charm of Merritt, or want to explore even further - there's something for everyone!

Tips For Evaluating What Matters Most

When choosing a neighborhood, keep your lifestyle front and center:

- If you have kids, prioritize good schools and nearby parks.
- Think about the big ticket items: roof, hot water tank, furnace, A/C (you definitely want A/C!)
- Think about the location, nearby amenities, and overall appeal

Understanding The Offer Process

Making an offer on a home is one of the most important steps in the buying process. Here's a breakdown of how it works in Ontario and what to expect:

How Offers Work in BC Real Estate

In BC, offers are made in writing, typically through your real estate agent, using a standard form called the Contract of Purchase and Sale. The offer outlines the price you're willing to pay, any conditions you want to include, and a timeline for completing the deal. The seller can either accept your offer as-is, reject it, or make a counteroffer with changes to the terms. Once both parties agree on the terms, the offer becomes legally binding.

Negotiation Tips

Be Prepared: Do your homework on the home's market value and the area so you can make a competitive offer. I can help provide insight into recent comparable sales (comps) to help guide your decision.

Stay Flexible: If you're serious about the home, be open to adjusting your offer based on the seller's feedback. This could involve raising the price or tweaking conditions to make the offer more appealing.

Don't Skip Conditions: While you may feel tempted to waive conditions in a competitive market, it's important to protect yourself. Common conditions include financing (making sure your mortgage gets approved) and home inspection (ensuring there are no major issues with the property). These conditions give you the ability to back out or renegotiate if something goes wrong.

The Importance Of Conditions

Financing Condition: This protects you if your mortgage approval falls through. It gives you time to confirm that the bank will finance your purchase.

Home Inspection Condition: This allows you to have the property inspected by a professional to ensure there are no hidden structural issues, plumbing problems, or other major concerns. If issues are found, you may renegotiate the price or request repairs.

Other Conditions: You can include other conditions like the sale of your current home, property disclosure, insurance, or reviewing condo status certificates if applicable.

Key Deadlines and Next Steps

Offer Expiry Date: Your offer will include an expiry date, which is the deadline by which the seller must respond. If they don't respond in time, the offer is no longer valid.

Deposit: After your offer is accepted, you'll need to submit a deposit (in Merritt it's typically less than other areas 2500-10,000 dollars). This shows the seller you're serious about buying the home.

Condition Fulfillment Date: If your offer includes conditions, there will be a set deadline (usually 5-10 business days) for you to meet them. During this time, you'll secure financing, complete inspections, and finalize any other conditions.

Closing Date: This is the date you officially take ownership of the home. On this day, the remaining purchase funds are transferred, and you get the keys to your new home!

Closing Costs And What To Expect

Closing on your new home is an exciting time, but it's important to be prepared for the additional costs that come with finalizing the deal. Here's a breakdown of common closing costs, budgeting tips, and what to expect on closing day.

Overview of Closing Costs

When buying a home, you'll encounter a few extra costs beyond the purchase price. Here's what you need to budget for:

Legal Fees: You'll need to hire a real estate lawyer to handle the legal aspects of the transaction, including reviewing contracts, handling title transfers, and managing the funds. Legal fees typically run around \$1,500.

Property Transfer Tax: This is a tax paid to the province when you transfer ownership of the property. In BC, the amount varies based on the purchase price of your home. If you're a first-time buyer, you will be eligible for a rebate on a portion or all of the property transfer tax.

Title Insurance: Title insurance protects you against potential issues with the property's title, like fraud or undisclosed claims. It's a one-time cost, usually between \$200 and \$400, but it can save you a lot of headaches down the road. (This is usually included in your legal fees)

Adjustments: These are costs that the seller has prepaid (such as property taxes or utility bills) that you'll need to reimburse them for on a pro-rated basis. Your lawyer will calculate these amounts before closing.

Mortgage Insurance: If your down payment is less than 20%, you'll need to pay for mortgage insurance through the Canada Mortgage and Housing Corporation (CMHC). The cost is added to your mortgage, but it's important to budget for it. However you will need to budget to cover the cost of the taxes on the insurance itself. (Ask me to calculate this for you upfront so you won't have any surprises)

Budgeting Tips for Unexpected Expenses

Plan for Extra Costs: Beyond the standard closing costs, it's a good idea to set aside 1.5% to 4% of the home's purchase price for closing-related expenses.

Prepare for Last-Minute Fees: Sometimes there are unexpected fees, like additional inspections or small legal expenses, so having a buffer will ensure you're not caught off guard.

Moving Expenses: Don't forget to budget for moving day itself! Costs like movers, storage, and setting up new utilities can add up.

Final Walkthrough

Before closing, you'll have the opportunity to do a final walkthrough of the home. This is your chance to make sure everything is in order and that any agreed-upon repairs have been completed.

What Happens on Closing Day

On closing day, your lawyer will handle the final details: transferring the funds to the seller, registering the title in your name, and ensuring all documents are signed.

Once everything is complete, you'll get the keys to your new home—congratulations, it's officially yours!

Tips For A Smooth Move and Let's Work Together!

1

Start Early With Packing
Declutter: Before you pack, take the time to sort through your belongings and donate or discard anything you don't need. This will save you time and space. **Pack by Room:** Keep items from the same room together in clearly labeled boxes. Write the room name and a brief description of contents on each box. **Essential Box:** Pack a box of essentials that you'll need on your first day, including toiletries, a change of clothes, snacks, phone chargers, and basic kitchen items.

2

Schedule Movers Early
Book Movers: As soon as you know your moving date, contact local moving companies to get quotes and schedule your move. The earlier you book, the better the rates and availability. **Ask About Insurance:** Make sure your movers are insured to protect your belongings during the move. **DIY Option:** If you're moving yourself, book a truck or van early and confirm help from friends or family.

3

Change Utilities and Services
Transfer Utilities: Notify your utility providers (electricity, gas, water, internet) of your move and set up a transfer of services to your new address. **Update Your Address:** Change your address with important contacts like your bank, insurance, and government agencies (driver's license, health card). **Mail Forwarding:** Set up mail forwarding with Canada Post to make sure you don't miss any important correspondence.

Let's Work Together!

I'm so glad you've taken the time to explore this home buyer's guide. Whether you're ready to buy your first home or just have some questions about the process, I'm here to help every step of the way. If you'd like to schedule a one-on-one consultation, discuss your home search, or get personalized advice, feel free to reach out. I'm always happy to chat and make the home buying journey as smooth and enjoyable as possible.

Let's connect:

Phone: 778-694-6804

Email: jared@movingtomerritt.ca

Website: www.movingtomerritt.ca

Follow me on social media: @movingtomerritt (I bet you never would have guessed that one..)

Looking forward to helping you find the perfect place to call home!



@movingtomerritt

real