



Buying your first home in Canada



Buying a home is an important goal for many Canadian families. For newcomers to the country, it can also represent an important step in becoming established in Canada.

For most of us, buying a home is the single largest investment we will ever make. Given the costs of home ownership in Canada, it is common for many first-time home buyers to borrow money to finance their first home purchase. To make it easier to achieve your home ownership goal, we have mortgage options specifically designed for newcomers to Canada. If you have lived in Canada for less than 5 years, you can take advantage of these great benefits.

RBC Royal Bank® mortgage options for newcomers to Canada

- Canadian credit history is not required¹
- Non-traditional or “no income” verification is allowed¹
- Up to 30 years to pay back the loan² with a down payment of at least 20%
- Firm, fast credit approvals

Whether you are just starting to save for a down payment, or you're ready to buy your home now, the experts at RBC Royal Bank can make it easier to help you achieve your home ownership goals.



It's never too early to start planning for your goal of home ownership.

Deciding what you can afford

Before you start looking for a home, you should know the maximum amount of money you can borrow for your mortgage. This will help you set a realistic price range for the home and balance your home ownership dreams with your lifestyle needs.

Remember, there's more to buying a home than just the purchase price. You will also need to consider and budget for:

- Closing costs such as a home inspection, legal fees and land transfer taxes
- Property taxes
- Property insurance
- Mortgage insurance (if needed)
- Heating, hydro, water and other utilities (e.g. TV, Internet)
- Home maintenance and repair

Use our mortgage calculator to help you understand what you can afford. Visit rbccroyalbank.com/mortgagecalculators

Ready to Buy?

When it comes to buying a home, many Canadians need to borrow money to pay for it, and they don't usually pay for the full cost of the home all at once. Most Canadians finance the purchase of a new home in two steps:

- 1) They make an initial down payment on the house using money they've saved.
- 2) They borrow funds from a lender (such as a bank), then make regular payments to pay off the mortgage.

Saving for your down payment

In Canada, you need a down payment of at least 5%³ to purchase a home. However, making as large a down payment as possible could help lower your regular mortgage payments. To help you save for your down payment, you can:

- Set up an automatic savings plan
- Save in a Tax-Free Savings Account (TFSA), where you won't pay tax on any income earned and you have the flexibility to withdraw your money at any time
- Take advantage of the RRSP Home Buyer's Plan

Understanding your mortgage choices

We offer a wide range of mortgage solutions and competitive rates to suit your budget, circumstances and goals. Besides the actual type of mortgage you select, there are other important characteristics of your mortgage that determine exactly how much you will pay – both monthly and over the life of your mortgage. To understand all your mortgage choices and determine what is best for you, speak to one of our **RBC® mortgage specialists** – they will be able to:

- Help you understand the process, review your mortgage options and help you select the mortgage that best meets your needs
- Provide you with a mortgage pre-approval so you know how much you can qualify for and what your maximum offer can be
- Advise you on how to build up your down payment (if applicable) and if there are any special savings/ rebates that may apply to you as a first-time home buyer in Canada
- Meet with you at a time and location that is convenient for you and your family

Find a mortgage specialist near you quickly and easily online at rbccroyalbank.com/mortgages

An RBC Royal Bank mortgage offers you flexibility and convenience

Purchasing your home using an RBC Royal Bank mortgage means you can:

- Pay down your mortgage up to 20% faster by:
 - Increasing your regular mortgage payment
 - Making Double-up® payments
 - Accelerating your payment schedule
 - Making principal prepayments
- Take advantage of the Skip-a-Payment®⁴ option if you need it
- Choose an amortization of up to 30 years² to help you manage your cash flow needs

Checklist for buying your first home

- ✓ Decide how much you can afford
- ✓ Consider all the costs of home ownership
- ✓ Build your savings for your down payment
- ✓ Understand your mortgage options
- ✓ Get a mortgage pre-approval

Get a pre-approved mortgage and shop with confidence

A mortgage pre-approval should be your first step when you're ready to buy a home. With a mortgage pre-approval:

- There's no obligation or cost to you
- You'll know how much you can afford to borrow for your new home
- You will know what your interest rate is and it will be guaranteed for 120 days⁵
- You'll be in a better position to make your offer when you find the home you want

Plus, when you have a pre-approved mortgage, you know the bank has made an actual commitment (subject to conditions such as a property valuation) to loan you the money for your home.



We make getting credit easy for newcomers.

Get your first Canadian credit card⁶, car loan⁷ or home mortgage¹ – no credit history required.⁸

To find a mortgage specialist and learn more about mortgages and the options that are right for you:

- Visit rbcroyalbank.com/mortgages

For more information about how we can help newcomers to Canada:

- Visit rbc.com/canada or any RBC Royal Bank branch
- Call us at **1-800-769-2511** for service in 200 languages



RBC Royal Bank

Personal lending products and residential mortgages are offered by Royal Bank of Canada and are subject to its standard lending criteria. Some additional conditions apply. Offer may be changed or withdrawn at any time, without notice. Not available in combination with any other rate discounts, offers or promotions.

¹ You may be eligible for an RBC Royal Bank residential mortgage or mortgage within an RBC Homeline Plan[®], even if you have no Canadian credit history, provided you meet all of the eligibility and credit criteria of Royal Bank of Canada. Available to permanent residents and foreign workers who have been in Canada less than 5 years. To take advantage of these offers you must show proof of entry into Canada and provide supporting documents such as a passport, and landing papers or permanent resident card.

² Available for Conventional Newcomer Equity and Standard Programs. Default insured programs are limited to 25 years.

³ Down payment of less than 20% of the value of a property requires a maximum 25-year amortization and would not qualify for 30-year amortization. In addition, if your down payment is less than 20%, you must pay a mortgage default insurance premium charged by a mortgage insurer. This insurance protects the financial institution if you ever default on your mortgage.

⁴ The principal and interest portion of any skipped payment will remain outstanding until the end of the term of your loan, at which time the skipped payment must be repaid. Interest will continue to accrue upon the total amount of the skipped payment until such time that the skipped payment is repaid in full. You may repay the skipped payment at any time.

⁵ Terms and conditions apply.

⁶ An RBC Royal Bank credit card with no credit history required is available to permanent residents who have arrived in Canada within the last 12 months, provided you meet all of the eligibility and credit criteria of Royal Bank of Canada. You may be eligible for a secured or an unsecured RBC Royal Bank credit card even if you have no Canadian credit history. If you don't qualify for an unsecured RBC Royal Bank credit card, you may still be eligible for a credit card provided you give us a security deposit and meet the eligibility and credit criteria of Royal Bank of Canada. For secured credit cards, a credit history may be required.

⁷ You may be eligible for an RBC Royal Bank automotive car loan even if you have no Canadian credit history. Available to permanent residents and foreign workers who have been in Canada less than 3 years. Minimum of 25% down payment is required. Maximum financing term is 60 months with a maximum loan amount of \$75,000. No credit history required on vehicles less than 4 years old, provided you meet all of the eligibility and credit criteria of Royal Bank of Canada. Newcomers under the Investor Class Permanent Resident Program may borrow up to \$100,000. This amount can be increased. See branch for details.

⁸ No credit history required for a credit card, car loan or home mortgage. Provided you meet all of Royal Bank of Canada's eligibility and credit criteria, and provided you are a permanent resident who has arrived in Canada within the last 12 months, you may be eligible for an unsecured or secured RBC Royal Bank credit card even if you have no Canadian credit history. An RBC Royal Bank automotive car loan and residential mortgage or mortgage within an RBC Homeline Plan are available to permanent residents and foreign workers even if you have no Canadian credit history provided you meet all of Royal Bank of Canada's eligibility and credit criteria.