

BC First-Time Home Buyer Toolkit

A practical 2026 guide to BC programs, mortgage prep, closing-day surprises, and your first 90 days as a homeowner.

ROSE MARIE MANNO PREC

Licensed REALTOR® · eXp Realty

White Rock & South Surrey · 50+ five-star reviews

rosemanno.com · 236-878-1581 · info@rosemanno.com

Inside this toolkit

1. The 2026 BC programs you might be missing — up to \$45,000 of value
2. Property Transfer Tax: how the exemption tiers work
3. First Home Savings Account (FHSA) + Home Buyers' Plan (HBP)
4. Mortgage pre-approval: the 60-day lender playbook
5. Stress test math: what you actually qualify for
6. CMHC insurance: when it's required, what it costs
7. What to inspect before subject removal (BC-specific)
8. Strata depreciation reports: page 32 saves \$25,000
9. Closing day prep checklist
10. The first 90 days as a BC homeowner
11. When to call your realtor (and when to call your lawyer)
12. Free calculators + next steps

A note from Rose:

I wrote this because most first-time buyer guides I see are either generic Canadian content or thinly-disguised commission pitches. This is the BC-specific guide I wish I'd had when I helped my first first-time buyer close in 2020. It's free, no commission attached. If we end up working together later, that's a separate conversation.

1. The 2026 BC programs you might be missing

Up to \$45,000 of value most first-time buyers never claim.

Property Transfer Tax (PTT) Exemption

Worth: **up to \$8,000**. Full waiver on first \$500,000 of purchase price; partial relief \$500K–\$835K; none above \$860K. Must be Canadian citizen or PR, never owned property anywhere, occupy as principal residence for 1 year.

Newly Built Home PTT Exemption

Worth: **up to \$20,000**. Full waiver on first \$1.1M of price (partial to \$1.15M). Available for newly built homes regardless of first-time-buyer status.

First Home Savings Account (FHSA)

Worth: **\$13,000–\$20,000 in tax savings**. \$40,000 lifetime contribution limit, \$8,000/yr cap. Tax-deductible going in (like RRSP), tax-free coming out (like TFSA). At a 33% marginal rate, full \$40K = \$13,200 tax savings.

Home Buyers' Plan (HBP)

Worth: **~\$20,000 in deferred tax**. Withdraw up to \$60,000 from your RRSP, repaid over 15 years, no immediate tax penalty.

Home Buyer's Tax Credit

Worth: **\$1,500** federal non-refundable tax credit on the year of purchase.

Stacked total: \$30,000–\$45,000 of unclaimed value for typical first-time BC buyers. Eligibility windows are tight and program rules change year-to-year. Talk to your realtor and accountant *before* you write an offer.

2. Property Transfer Tax: how the tiers work

Without exemption, BC PTT applies to every purchase:

- **1%** on the first \$200,000 of purchase price
- **2%** on the portion from \$200,001 to \$2,000,000
- **3%** on the portion from \$2,000,001 to \$3,000,000
- **+2% additional** on portion above \$3,000,000 (residential)
- **+20% additional** for foreign buyers (Foreign Buyers Tax)

Worked examples (no exemption):

- \$600,000 home: \$10,000 PTT (1% on \$200K = \$2K, 2% on \$400K = \$8K).
- \$1,000,000 home: \$18,000 PTT.
- \$1,500,000 home: \$28,000 PTT.
- \$3,500,000 home: \$103,000 PTT (with the +2% surcharge over \$3M).

First-time buyer exemption math:

- \$500,000 home: full waiver. PTT = \$0.
- \$700,000 home: partial. PTT works out to roughly \$4,000 (sliding scale).
- \$850,000 home: nearly no relief. PTT \$14,000 (only \$200 of the partial relief still applies at \$850K).
- \$900,000 home: no first-time-buyer relief. PTT \$16,000.

Use the calculator at [rosemanno.com/transfertax.html](https://www.rosemanno.com/transfertax.html) to enter your specific number — it handles all three exemption tiers automatically.

3. FHSA and HBP — the two biggest first-time tools

First Home Savings Account (FHSA)

Launched 2023. The most underused tool for BC first-time buyers.

How it works: open at any major bank, contribute up to \$8,000/year (\$40,000 lifetime). Contributions are tax-deductible (like RRSP). Withdrawals to buy your first home are tax-free (like TFSA).

Why it stacks: at a 33% marginal tax rate, \$40,000 of contributions reduces your tax bill by \$13,200 — and the \$40,000 plus its growth comes out tax-free at home purchase. That's a 30%+ effective return before any market gains.

Use it for: any portion of your down payment OR closing costs. You can combine FHSA with HBP without limits on a single home purchase.

Home Buyers' Plan (HBP)

Existed forever; rules updated 2024.

How it works: withdraw up to \$60,000 from your RRSP for a first home, no tax penalty. You repay it over 15 years (1/15 of the original withdrawal each year).

When NOT to use it: if your RRSP is heavily growth-invested and the tax-deferred compounding is doing meaningful work, withdrawing pauses that growth. Run the math.

When to use it: if you have RRSP capital sitting in low-yield accounts and your stress-test math needs the extra down payment to cross 20% (which eliminates CMHC).

Stacking FHSA + HBP

Maximum first-time buyer down payment from these two programs: \$40,000 (FHSA) + \$60,000 (HBP) = \$100,000. On a \$500,000 home, that's 20% down — eliminating CMHC and qualifying you for better rates.

4. Mortgage pre-approval: the 60-day lender playbook

Step-by-step for first-time BC buyers:

Documents to assemble (the day you start)

- Last 2 years of T4s and Notices of Assessment (NOAs)
- 90 days of bank statements (chequing, savings, investment)
- Employment letter from current employer (job title, salary, start date, full-time/permanent status)
- If self-employed: 2 years of T1 General returns + accountant's reference letter
- Down-payment source documentation (RRSP/FHSA statements + paper trail)

Broker vs Bank

Brokers shop 30+ lenders for the lowest rate; banks limit you to their own products. For first-time buyers under stress-test pressure, brokers usually win.

Exception: if you have an existing mortgage relationship and a stable W-2 income, your bank may match competitive rates to keep your business.

Pre-approval validity

Most pre-approvals lock the qualifying rate for 60–120 days. Use this window strategically: if rates are moving up, accelerate house hunting. If moving down, you can re-pre-approve closer to offer time at the lower rate.

Stress test

You qualify at the higher of (a) your contract rate + 2 percentage points, or (b) the OSFI qualifying rate (currently 5.25%). On a 3.85% offered rate, you qualify at 5.85%. This shrinks buying power 15–20% vs. the no-stress-test math.

5. What you actually qualify for

Two key ratios

- **GDS (Gross Debt Service):** housing costs ÷ gross income. Cap typically 39%.
- **TDS (Total Debt Service):** all debts ÷ gross income. Cap typically 44%.

Housing costs include: principal + interest, property tax, heating (\$150/mo standard), 50% of strata fees if applicable.

Worked example

Household income \$150,000/yr. Down payment \$50,000. 5-year fixed at 3.85%. 25-year amortization. No other debt.

Stress test rate: 5.85%. At GDS 39% ceiling, max housing payment ~\$4,875/mo. Backing out into purchase price: ~\$680,000–\$700,000 max.

Same income with \$20,000/yr in student loans + \$5,000/yr in car payments: TDS becomes the binding constraint. Max purchase drops to ~\$580,000.

6. CMHC insurance

Required when down payment is less than 20%. Adds 2.8%–4% to your mortgage as a premium financed into the loan.

Premium tiers (2026):

- 5% down (95% loan): 4.0% premium
- 10% down (90% loan): 3.1% premium
- 15% down (85% loan): 2.8% premium
- 20%+ down: no CMHC required

On a \$700,000 home with 10% down: \$63,000 down payment, \$630,000 loan, \$19,530 CMHC premium added to loan.

7. What to inspect before subject removal (BC-specific)

Generic Canadian inspection checklists miss BC-specific risks. Items YOUR inspector should flag:

- **Underground oil tanks** — common in homes built before 1970. Owner is liable for remediation costs that can hit \$30,000+. Check for oil-fill caps and copper lines.
- **Knob-and-tube wiring** — pre-1950 homes. Insurers often refuse coverage until remediated.
- **Aluminum branch wiring** — 1965–1975. Fire risk, insurance issue.
- **Polybutylene plumbing** — 1978–1995. Joint failures cause water damage.
- **Asbestos materials** — vermiculite insulation (Zonolite), popcorn ceilings, vinyl-asbestos floor tiles common pre-1990.
- **Post-tension cables in concrete** — high-rise condos 1985–2005 era. Corrosion can trigger special-assessment territory.
- **Leaky-condo era construction** — buildings 1985–2000. Check rainscreen remediation history in the strata depreciation report.
- **Heritage covenants** — White Rock, New Westminster Queen's Park, Fort Langley. Restrict alterations and affect insurance + resale.
- **Septic + well systems** on acreage (Maple Ridge, Langley, Delta). Septic capacity, well-water quality, and ALR designations need separate inspections.

Pre-list inspection (for sellers)

A \$400–\$700 pre-list inspection reverses negotiation leverage. Buyers can't surprise you with findings if you've already disclosed and remediated. Saves 5–10% on negotiation in most BC sales.

8. Strata depreciation reports — page 32 saves you \$25,000

What it is

A 30+ year forecast of every major capital expenditure for a strata building, along with the contingency reserve fund (CRF) status. Legally required for BC stratas with 5+ units since 2014.

What to read for

- **Upcoming special assessments** — items flagged for the next 5 years. If your building has \$200K of envelope work coming, the seller knows; you should too.
- **Contingency reserve fund** — is the CRF on track to cover the next decade of forecast spending? Underfunded reserve = guaranteed special assessments.
- **Recently passed assessments** — sometimes already passed at AGM but not yet billed. Read the most recent AGM minutes alongside the depreciation report.
- **Deferral patterns** — items deferred multiple years in a row are usually overdue, not safer.

Where it bites buyers who don't read it

Typical scenario: buyer offers \$720,000 on a condo. Subject-removed. 4 months later, AGM passes a \$30,000-per-unit special assessment for elevator modernization. Buyer pays. Could have been read out of the report — the elevator timeline was on page 28 of the original PDF the seller provided.

Your realtor should:

Pull and read the most recent depreciation report, the last 2 years of AGM minutes, and the latest financial statements **before** you go subject-firm. If they don't, you have a different problem than the strata.

9. Closing day prep checklist

48 hours before

- Wire deposit + balance to lawyer's trust account. Do NOT use email-link instructions; phone the lawyer to verify wire details. Wire-transfer fraud is the #1 closing-day scam in BC.
- Confirm insurance binder is in place with the lender. Lenders refuse to fund without active fire insurance.
- Confirm mortgage docs signed at lawyer (typically 5-10 days pre-closing).

Possession day

- Take final meter readings (electricity, gas, water). Photograph them.
- Collect all keys, garage remotes, alarm codes, mailbox keys, strata fobs. Make a checklist.
- Walk the property with the seller's realtor to confirm condition matches contract (no last-minute damage, all included chattels in place).
- Get utility accounts switched into your name (BC Hydro, FortisBC, internet provider). Most providers won't auto-switch.

First week after closing

- Change all locks. Most clients do this in week one (~\$120/door).
- File closing paperwork in a single folder. You'll need it for first tax filing + any future capital-gains calculations.
- Update address on driver's license, vehicle registration, banking, employer, and CRA.

10. The first 90 days as a BC homeowner

Month 1

- Set up automatic property-tax pre-payment with your municipality. Annual property tax is due July 2 in most BC cities; spreading it monthly avoids the lump-sum hit.
- Confirm your utility billing is on autopay.
- If first-time buyer: file the BC Home Owner Grant application (saves ~\$570/yr off property tax in most BC cities).

Month 2

- Schedule any deferred maintenance from the inspection report. Roof, HVAC service, gutter cleaning, exterior caulking — all best done in the first season.
- Save 1% of home value/year as a maintenance reserve. On a \$1M home that's ~\$830/mo. Treat it like a utility bill.

Month 3

- Review your first quarterly mortgage statement. Confirm payment is being applied correctly (principal vs. interest split).
- If your home is a strata, attend your first AGM. Most owners don't. Owners who attend get the inside read on the building 6-12 months before owners who don't.
- If owner-builder/renovation plans: get permits filed before any structural work. Unpermitted renovations affect resale value and insurance coverage.

11. When to call your realtor (and when to call your lawyer)

- **Realtor:** market questions, post-close maintenance referrals, neighbour disputes that involve property lines, timing for your eventual next move.
- **Lawyer:** title issues, disputes with the previous owner about chattels or condition, undischarged mortgages or caveats that surface, anything involving signed documents.

12. Free calculators + next steps

Free tools at rosemanno.com

- **BC Property Transfer Tax Calculator** — handles all three exemption tiers, foreign-buyer surcharge, new-construction exemption.
rosemanno.com/transfertax.html
 - **BC Affordability Calculator** — GDS/TDS ratios, stress test, CMHC. Real BC numbers.
rosemanno.com/affordability.html
 - **BC Mortgage Calculator** — monthly payment, CMHC premium, total interest paid.
rosemanno.com/mortgage.html
 - **BC Closing Costs Calculator** — PTT + legal + inspection + GST + adjustments.
rosemanno.com/closingcosts.html
 - **Rent vs Buy Calculator** — long-run cost comparison with realistic BC inputs.
rosemanno.com/rentvsbuy.html
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Ready to talk?

Free 30-minute consultation, no commission attached. We'll review your specific situation: pre-approval status, target neighbourhoods, timeline, FHSA/HBP positioning. By the end of the call, you'll know exactly what your next 90 days should look like.

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■ 236-878-1581
✉ ■ info@rosemanno.com
■ rosemanno.com/contact.html

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