

PRESALE BUYERS GUIDE

Everything you need to know
about buying a presale in BC

Presented by Arjun Johal

REALTOR® | LPT Realty

📞 778-320-4705

✉ info@arjunjohalrealtor.com

📍 5450 152 St #200, Surrey, BC

📷 @SoldbyArjun_

12 STEPS

- 1 What is a Presale?
- 2 Pros & Cons
- 3 Initial Consult
- 4 Explore Projects
- 5 Choose Your Unit
- 6 Submit EOI
- 7 Sign the Contract
- 8 Pay Deposits
- 9 Construction Phase
- 10 Prepare for Completion
- 11 Closing & Transfer
- 12 Get Your Keys 🗝️

LPT REALTY

WHAT IS A PRESALE?

You buy before it's built — based on floor plans & renderings. Then you wait for it to be completed.



7 Days

Rescission Right

BC law gives you 7 business days to cancel after signing — no penalty, full deposit returned

5–20%

Deposit Required

Paid in installments (e.g. 5% on signing, 5% at 90 days...) — held in trust, protected by BC law

2-5-10

New Home Warranty

BC mandatory warranty: 2 yrs materials, 5 yrs building envelope, 10 yrs structural — brand new

PROS & CONS AT A GLANCE

Presales can be a great move — but know the risks before you sign.

✓ ADVANTAGES



Lock In Today's Price

Value may rise by completion — strong track record in Metro Vancouver & Fraser Valley



Time to Save

1–4 years to build your savings, improve credit & prepare for your mortgage



Brand New

Choose your finishes. BC's 2-5-10 warranty covers you from day one



Lower Upfront Cash

Deposits paid in installments — you don't need the full amount on day one



Investment Potential

Buy pre-construction in a growing area and build equity before you even move in

✗ RISKS TO KNOW



Construction Delays

Developers can extend the timeline by up to 2 years under BC law



Market Value Risk

If prices drop, your lender appraises lower — you may need more cash at closing



Financing Re-Qualification

Lenders re-qualify you at completion, not when you sign. Protect your credit & income



GST on New Builds

5% GST applies — on a \$700K unit that's \$35K. First-time buyers may get a partial rebate

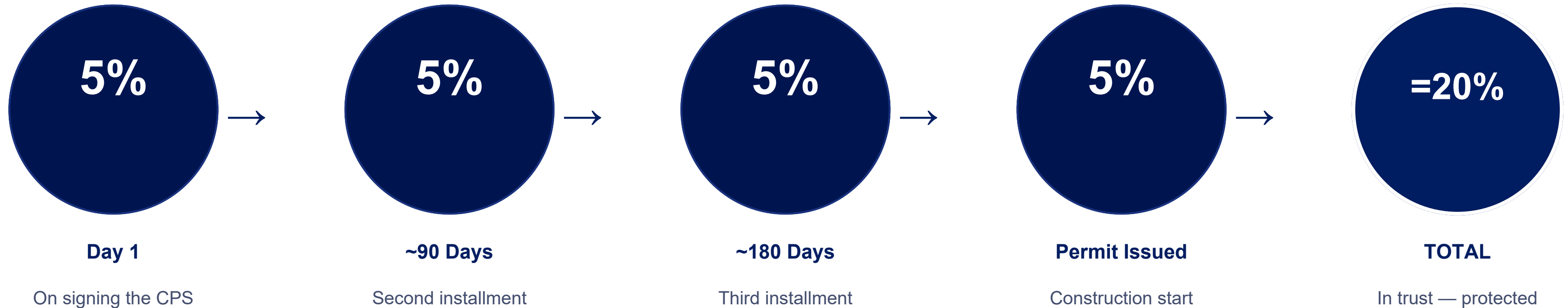


Developer Cancellation

Rare, but possible. Deposits are returned

HOW DEPOSITS WORK

Presale deposits are paid in installments — and they're 100% protected under BC law.



Held in Trust

Your deposits go into a lawyer's trust account — the developer cannot touch them until completion.



BC Law Protects You

Under REDMA, if the project is cancelled your full deposit plus interest must be returned to you.



Never Pay Directly

Always pay deposits to the designated trust account — never directly to the developer or sales rep.

KNOW BEFORE YOU SIGN

The Contract of Purchase and Sale is binding. Always have a BC real estate lawyer review it during your 7-day rescission window.



YOUR 7-DAY RESCISSION RIGHT

BC law (REDMA) gives you 7 business days after signing to cancel — no reason needed, full deposit returned. Use this time to have a lawyer review the contract. Do not waive this right.



Purchase Price

Agreed price + upgrades. Note: upgrades may be subject to GST.



Deposit Schedule

Exact dates & amounts. Calendar every deadline the day you sign.



Completion Date

Estimated date. Developers can extend up to 2 years — check the contract limits.



Assignment Clause

Can you sell before completion? Many contracts restrict it or charge a 1–2% fee.



Developer Changes

Developer may make changes to the project. Major changes may give you a new right to rescind.



2-5-10 Warranty

BC mandatory: 2 yrs materials/labour, 5 yrs envelope, 10 yrs structural defects.

WHAT YOU PAY AT CLOSING

Budget for these costs on top of your purchase price — know before you close.



GST (5%)

\$35,000

On a \$700K unit
May qualify for partial rebate if primary residence



Property Transfer Tax

\$0

New builds up to \$1.1M
Full PTT exemption for qualifying buyers!



Legal Fees

~\$1,500–\$3,000+

Lawyer/notary conveyancing
Budget \$2,000 to be safe



Strata Move-In Fee

~\$200–\$1,000

One-time fee charged by
some strata corporations

EXAMPLE: \$700,000 PURCHASE PRICE

Purchase Price

\$700,000

GST (5%)

\$35,000
\$0 if First Time Buyer

PTT

\$0

Legal Fees

~\$2,000

TOTAL NEEDED

~\$737,000

* PTT exemption applies for new builds up to \$1.1M. First-time buyers may also qualify for additional PTT and GST rebates.

YOUR TOP QUESTIONS — ANSWERED

Quick, honest answers to what buyers ask most.

Q: Do I need an agent?

A: Yes — and it costs you nothing. The developer pays your agent's commission. Without one, you're negotiating alone.

Q: What if the developer cancels?

A: Your full deposit plus interest is returned. This is protected by BC law (REDMA) — your money is safe in trust.

Q: When do I get my mortgage?

A: At completion — not when you sign. Maintain stable income and credit throughout construction. Lenders re-qualify you.

Q: Can I rent it out?

A: Depends on strata bylaws. Some allow long-term rentals, some restrict all rentals. Check the disclosure statement first.

Q: Can I cancel after signing?

A: Yes — within 7 business days. Full deposit returned, no questions asked. After that, you're legally bound.

Q: What if the market drops?

A: Your lender appraises at the lower value at completion. You may need more cash. This is the key risk to plan for.

Q: What is a PDI?

A: Pre-Delivery Inspection — your walkthrough before possession. Document every defect in writing. It protects your warranty.

Q: Can I sell before completion?

A: Only if your contract allows assignment. Many restrict it or charge a fee. Check before signing — this affects your exit options.

Ready to buy presale?

Let's do it right, together.



Your Agent = \$0 Cost

The developer pays my commission. You get full expert guidance at zero cost to you.



I Know the Projects

I track presale launches across Metro Vancouver & the Fraser Valley. I'll find the right fit for your goals.



From Signing to Keys

Contract review, deposit tracking, PDI walkthrough, closing prep — I'm with you every single step.

Get in touch — I'm always available

 778-320-4705

 info@arjunjohalrealtor.com

 [@SoldbyArjun_](https://www.instagram.com/SoldbyArjun_)

 [arjunjohalrealtor.com](https://www.arjunjohalrealtor.com)