

APPLICATIONS

START ON SEPT. 2

FOR NOVEMBER OCCUPANCY



1st
TIME
HOME BUYER

Incentive

What you need to know

This exciting new program created by the Government of Canada gives first time homebuyers a way to reduce their monthly mortgage payments without increasing their down-payment. The incentive does not accumulate interest and does not require ongoing repayment over the term.

HOW TO QUALIFY & SAVE



ONE PERSON

is considered a first time buyer



you have never purchased a home before

or you have recently gone through a breakdown of a marriage or common-law partnership

in the last 4 years, you did not occupy a home that you or your current spouse or common-law partner owned

5%

DOWN-PAYMENT

you have saved, withdrawn from RRSP or is a non-repayable gift



YOUR INCOME

is less than or equal to \$120,000

FTHBI RULES



IT'S YOUR HOME

you are not purchasing it as an investment property



BORROWING LIMIT

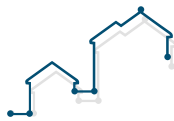
is 4x your annual salary



YOU'RE CANADIAN,

permanent resident or non-permanent resident legally authorized to work in Canada

THE BENEFITS



AFFORD MORE

utilize a 10% down-payment boost without saving another dime



SAVE MONEY

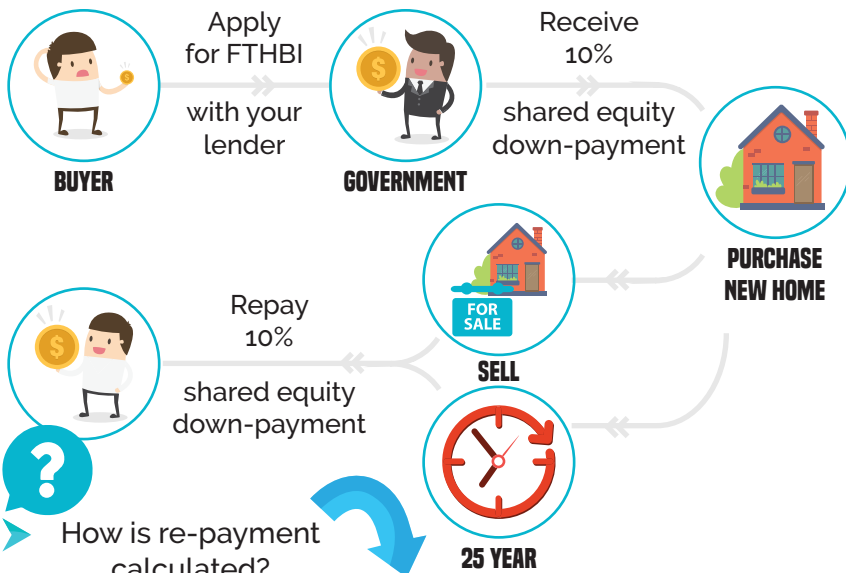
lower your monthly payment by up to 12%



NO INTEREST

no monthly repayments and no interest accumulated

HOW IT WORKS



SHARED EQUITY PAYMENT

PURCHASE PRICE

\$300,000

SHARED EQUITY DOWN-PAYMENT

=\$30,000



VALUE INCREASES



VALUE DECREASES

SELLING PRICE
\$315,000

SHARED EQUITY RE-PAYMENT
=\$31,500

SELLING PRICE
\$275,000

SHARED EQUITY RE-PAYMENT
=\$27,500

MORTGAGE EXAMPLE

| | WITHOUT FTHBI | WITH FTHBI |
|--------------------------|---------------------|---------------------|
| Purchase Price | \$300,000 | \$300,000 |
| Downpayment @ 5% | \$15,000 | \$15,000 |
| Shared Equity @ 10% | \$0 | \$30,000 |
| Mortgage amount | \$296,400 | \$262,140 |
| Insurance Premium rate | 4.00% | 2.80% |
| Insurance Premium | \$11,400.00 | \$7,140.00 |
| Payment: | \$1,398.14 | \$1,236.53 |
| Interest rate | 5-Yr Fixed 2.97% | 5-Yr Fixed 2.97% |
| Amortization period | 25 Year | 25 Year |
| Payment frequency | Monthly | Monthly |
| Total payments over term | \$83,888.45 | \$74,191.96 |
| - Interest paid | \$40,959.80 | \$36,225.00 |
| = Principal paid | \$42,928.65 | \$37,966.64 |
| Balance at end of term | \$254,240.24 | \$224,853.37 |
| Aquired Equity | \$45,759.76 | \$75,146.63 |
| Payment Savings | \$0.00 | \$9,696.60 |
| Total Equity | \$45,759.76 | \$84,843.23* |

* Equity does not include FTHBI re-payment, which is calculated based on your home value.

Sources:

1. Canada's First-Time Home Buyer Incentive: Place to Call Home®

2. Mortgage Calculator: Canada Mortgage and Housing Corporation

www.cmhc-schl.gc.ca/en/finance-and-investing/mortgage-loan-insurance/homesbuying-calculators/mortgage-calculator