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A New Initiative

Home Ownership Assistance Program

Deadline for Application Submissions is January 31, 2008.

What is it?

This program is an interest-free loan – qualifying homebuyers may receive down payment assistance of 5% toward the cost of the home and another 1% to assist with closing costs.

It is a partnership between the Government of Canada, the Province of Ontario and the City of London through the Canada-Ontario Affordable Housing Program (AHP).

No interest will be charged on the 5% + 1% financial assistance. Eligible purchasers will be selected at random through a lottery from those who meet the eligibility requirements, income criteria and are

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qualified for a mortgage at a recognized financial institution.

How Do I Qualify?

You may be eligible for the program if you meet all the following criteria:

Must be at least 18 years old.

Must be a renter in London or Middlesex County.

Must not currently own a home or a residential property, in whole or in part, including recreational or cottage property.

Cannot be living in a spousal relationship (including same-sex spousal relationship) with a person who owns, in whole or in part, a residential property including recreational or cottage property.

Must agree not to lease the home or individual rooms in the home and must agree to occupy the home for the duration of the AHP loan agreement.



Must qualify for and be pre-approved for a mortgage at a recognized financial institution and demonstrate you can sustain a mortgage.

Must not be an employee of the Ontario or Federal public service or of the City of London or of Middlesex County.

Must participate in a City of London homeownership-training day offered in partnership with the Canada Mortgage and Housing Corporation.

Maximum household gross annual income of \$50,000 or less.

(Post secondary graduate students may qualify to deduct their annual Canada-Ontario Integrated Student Loan payments from their **gross** annual income).

Visit:

www.housing.london.ca

or call 519-661-2500 ext 5524 for more details and to get an application package.

Deadline for Application Submissions is January 31, 2008.

Ontario Expands Land Transfer Tax Refund

Important Information for anyone who has bought a new home in the last couple of years...please read these articles...you may save \$\$\$\$

First time buyers of resale homes are now eligible for a refund from the provincial government of up to \$2,000.00 of the land transfer tax paid. In December, Ontario announced that, *effective immediately*, the existing land transfer tax refund program would be expanded to include first time buyers who purchase resale, as well as new homes.

GST Cut Good for New Homebuyers & Homeowners

The tax changes outlined in the federal government's economic statement will bring significant savings to new homebuyers, but will also benefit existing homeowners. According to government calculations, the reduction in the GST rate from 7% to 5% will save a family purchasing a new \$250,000. home, \$3,200 in GST. Half of that amount is from the reduction in the GST rate from 6% to 5%.

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Buyers who purchased after May 2, 2006 but on or before October 30, 2007, will pay 6% GST but get a 1% transitional rebate (less GST new housing rebate adjustment) *as long as ownership and possession are transferred after January 1, 2008.*

Homebuyers who purchased on or before the previous GST rate cut from 7% to 6% (May 2, 2006) will have to pay 7% GST but will get a 2% transitional rebate (less GST new housing rebate adjustment) from Ottawa, *again providing ownership and possession are transferred after January 1, 2008.*

Existing Homeowners

With the new 1% reduction in the GST taking effect in January 2008, it will also help existing homeowners to pay for home renovations, new appliances or furniture. The federal government claims that Canadians spend an average of \$7,475. on renovations when they buy a home, and spend another \$3,950 on furniture and appliances. Based on these figures,



the GST cut represents \$114.00 in savings.

The Canadian Home Builders Association offers the following guidelines for home renovations and how the GST is applied.

- . **Renovations** done before or after January 1, 2008, but invoiced on or after that date will qualify for the 5% GST rebate.

- . For **renovations** done and invoiced January 1, 2008, but subject to a down payment before January 1, 6% GST will be collected on the down payment and 5% on the rest of the fee.

- . For **renovations** done after January 1, 2008, but subject to a deposit paid before January 1st, the 5% rate applies. A deposit is not treated as a payment for a supply of goods or services until the supplier applies it against the consideration payable for the supply.

For further info on the new GST reduction & transitional rebates, visit <http://www.cra-arc.gc.ca>

(from OREA Realtor EDGE, Jan '08)

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February 15th – 17th

**2008 Ontario Paralympic
Winter Championship
Collingwood, Ontario**

<http://www.collingwood.ca/opwc>



The events include:

Wheelchair Basketball
Wheelchair Curling
Alpine Skiing
Swimming
Para Nordic Skiing
Wheelchair Rugby
Sledge Hockey

(If you would like to have your name removed from this newsletter list, please call me at 852-3822.)

Terrific Family Home
8 min. walk to JLC
(not accessible)



To see this lovely home, click on:
<http://www.royallepagemc.ca/28246/146911/146911.swf>

**Registered Disability
Savings Plan**

Finance Minister James Flaherty made history when Canada became the first country to create a Registered Disability Savings Plan. The RDSP, which will become available in 2008, will benefit nearly three quarters of a million Canadians with disabilities. Over time, people's RDSPs will provide billions of dollars to supplement income, enable home ownership, purchase supports, services and products and, ultimately, enhance quality of life. In addition, the Canada Disability Savings Grant and Bond will provide a federal contribution to assist families in saving. The Registered Disability Savings Plan has a \$200,000 lifetime contribution limit and cont...

contributions are permitted by the individual, any family member or friends. There are no annual limits on contributions and contributions grow on a tax-deferred basis. The grant will match contributions for 20 years. When annual family income is less than \$74,357, three dollars will be matched for each dollar contributed on the first \$500 and two dollars for each dollar contributed on the next \$1,000 contributed. When annual family income is more than \$74,357, one dollar will be matched for each dollar contributed on the first \$1,000.

Withdrawals within 10 years of the last Grant or Bond payment may trigger penalties.

For beneficiaries or families that have incomes of \$20,833 or less, the Disability Savings Bond will provide \$1,000 per year for 20 years without any contribution. People who qualify for the Disability Tax Credit will be eligible to open a RDSP and receive the Grant and Bond. Contributions can be made until a person's 60th birthday year. Grants and Bonds are available until a person's 50th birthday year. For more information on Registered Disability Savings Plans visit

http://www.plan.ca/SocialPolicy_PolicyUpdates.php

All Best Wishes for 2008!

Peggy Stewart