

## Papadopoulos, Nikki OHCS:EX

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**From:** Rotgans, Trudy OHCS:EX  
**Sent:** Wednesday, November 16, 2016 1:29 PM  
**To:** Platts, Robin GCPE:EX  
**Cc:** Tiffin, Kim OHCS:EX; Page, Doug OHCS:EX; Holden, Virginia OHCS:EX; Lam, Roger OHCS:EX; Tiffin, Kim OHCS:EX  
**Subject:** FW: Wednesday Nov 16 deadline: For review - Milestone Tracking\_DATE\_RTB\_Housing Policy  
**Attachments:** Milestone Tracking\_DATE\_RTB\_Housing Policy.docx  
**Categories:** Provided FOI, Red Category

Hi Robin, Items inserted as requested. We didn't add the announcements regarding the National Housing Strategy. As you know, there will be federal announcements and a facebook event on Tuesday, Nov 22<sup>nd</sup>. Let me know if you want to discuss anything further. Thank you.

Best regards,  
Trudy

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**From:** Platts, Robin GCPE:EX  
**Sent:** Monday, November 14, 2016 10:40 AM  
**To:** Rotgans, Trudy OHCS:EX; Elder, Kathy A OHCS:EX; Hutchinson, Jarrett OHCS:EX  
**Subject:** For review - Milestone Tracking\_DATE\_RTB\_Housing Policy

Hi

The attached document is intended to track any significant projects, announceables, milestones, etc. coming up over the next three months or so. Could you please take a look and add any items that I have missed, or make corrections if necessary?

Would like to get this back by end of day Wednesday.

Thanks

Robin

## MILESTONE TRACKING – HOUSING POLICY

Updated November 14, 2016

RESIDENTIAL TENANCY BRANCH				
Project - Milestone	Date/Status	Anticipated Communications	Calendar (y/n)	Contact
Residential Tenancy Act amendments take effect	Nov 16-30, 2016	News release, KMs	Y	Janet Donald (250) 415-7647
Solutions Explorer	Dec 5 2016 TBC	News release, KMs	N	Janet Donald (250) 415-7647
s.12,s.13	s.12,s.13	News release, KMs, Q&A	N	Janet Donald (250) 415-7647

HOUSING POLICY				
Project - Milestone	Date/Status	Anticipated Communications	Calendar (y/n)	Contact
s.12,s.13	s.12,s.13	News release, KMs	n	Doug Page +1 (250) 380-8696
Home Purchase Assistance Program announcement and enabling BC Housing Regulation amendments	December 19 tentative (OIC should be deposited simultaneously)	News release, KMs, Q&A Event?		Greg Steves (250) 361-7145 BC Housing
s.12,s.13	s.12,s.13	News release, KMs		Greg Steves (250) 361-7145 BC Housing
s.12,s.13	s.12,s.13	News release, KMs, Q&A Event?		Greg Steves (250) 361-7145 BC Housing
Public release of NPAT Audit - OAG	Anticipated February/March ?	KMs, Q&A		Greg Steves (250) 361-7145 BC Housing



BUILDING AND SAFETY STANDARDS				
Project - Milestone	Date/Status	Anticipated Communications	Calendar (y/n)	Contact

## Papadopoulos, Nikki OHCS:EX

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**From:** Page, Doug OHCS:EX  
**Sent:** Wednesday, December 7, 2016 5:32 PM  
**To:** Steves, Gregory OHCS:EX  
**Cc:** Platts, Robin GCPE:EX  
**Subject:** FW: Stakeholders list  
**Attachments:** DAP\_Stakeholders.docx; ATT00001.htm

I added UDI and CHOA as one of the only groups representing home owners.

Doug

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**From:** Steves, Gregory OHCS:EX  
**Sent:** Wednesday, December 7, 2016 4:30 PM  
**To:** Page, Doug OHCS:EX  
**Subject:** Fwd: Stakeholders list

Please provide contact info for udi and any other stakeholders you think appropriate.

Sent from my iPhone

Begin forwarded message:

**From:** "Platts, Robin GCPE:EX" <[Robin.Platts@gov.bc.ca](mailto:Robin.Platts@gov.bc.ca)>  
**Date:** December 7, 2016 at 4:09:03 PM PST  
**To:** "Steves, Gregory OHCS:EX" <[Gregory.Steves@gov.bc.ca](mailto:Gregory.Steves@gov.bc.ca)>  
**Subject:** Stakeholders list

Hi Greg

We are getting together a list of stakeholders for DAP. With the attached list, could you provide a stakeholder for UDI, and also advise if there are any other stakeholders that we have missed who would be worth adding?

Thanks

Robin

## DOWN-PAYMENT ASSISTANCE PROGRAM

### Stakeholders to attend technical briefing: (DRAFT list)

Stakeholder Group	Contact	Phone	Email
Canadian Real Estate Association <a href="http://www.crea.ca/">http://www.crea.ca/</a>	Randall McCauley – VP Government and Public Relations  Dina McNeil – Inquiries related to Political Affairs	613 237- 7111	<a href="mailto:info@crea.ca">info@crea.ca</a>
BC Real Estate Association (BCREA) <a href="http://www.bcrea.bc.ca/">http://www.bcrea.bc.ca/</a>	Damian Stathonikos – Communications Director  Member Boards contacts: <a href="http://www.bcrea.bc.ca/about/member-boards">http://www.bcrea.bc.ca/about/member-boards</a>	604 742-2793	<a href="mailto:dstathonikos@bcrea.bc.ca">dstathonikos@bcrea.bc.ca</a>
Real Estate Board of Greater Vancouver <a href="http://www.rebgv.org/">http://www.rebgv.org/</a>	Craig Munn – Communications Manager  Harriet Permut – Government Relations Manager	604-730- 3000	
Real Estate Council of British Columbia <a href="https://www.recbc.ca/">https://www.recbc.ca/</a>	Marilee Peters – Communications Officer	604 683- 9664	<a href="mailto:info@recbc.ca">info@recbc.ca</a>
Mortgage Brokers Association of BC <a href="http://www.mbabc.ca/">http://www.mbabc.ca/</a>	Tiffany Pedersen – Events & Communications Manager	604 408- 9989	<a href="mailto:tiffany@mbabc.ca">tiffany@mbabc.ca</a>
Mortgage Professionals Canada <a href="http://www.mortgageproscan.ca/en/site/region/British-Columbia">http://www.mortgageproscan.ca/en/site/region/British-Columbia</a>		416 385- 2333	<a href="mailto:communications@mortgageproscan.ca">communications@mortgageproscan.ca</a>
Canadian Bankers Association <a href="http://www.cba.ca/">http://www.cba.ca/</a>	Anthony Polci – VP, Government Relations	613-234- 4431, ext. 224	<a href="mailto:apolci@cba.ca">apolci@cba.ca</a>
VanCity <a href="https://www.vancity.com/">https://www.vancity.com/</a>	Lauren Dobell	Media phone: 778 837-0394	<a href="mailto:mediarelations@vancity.com">mediarelations@vancity.com</a>
Central 1 Credit Union <a href="https://www.central1.com/">https://www.central1.com/</a>			<a href="mailto:communications@central1.com">communications@central1.com</a>

## Additional stakeholders

Stakeholder Group	Contact	Phone	Email
BC Chamber of Commerce <a href="http://www.bcchamber.org/">http://www.bcchamber.org/</a>	Dan Baxter – Director of Policy Development, Government & Stakeholder Relations	604 638- 8116	<a href="mailto:dbaxter@bcchamber.org">dbaxter@bcchamber.org</a>
Business Council of BC <a href="http://www.bcbc.com/">http://www.bcbc.com/</a>	Cheryl Muir – VP Communications  Ken Peacock – Chief Economist and VP	604 696- 6582	<a href="mailto:cheryl.muir@bcbc.com">cheryl.muir@bcbc.com</a>
Canadian Association of Financial Institutions <a href="http://www.cafii.com/">http://www.cafii.com/</a>	Brendan Wycks – Executive Director	647-218- 8243	<a href="mailto:brendan.wycks@cafii.com">brendan.wycks@cafii.com</a>
Vancouver Board of Trade <a href="https://www.boardoftrade.com/">https://www.boardoftrade.com/</a>	Iain Black – President and CEO  Greg Hoekstra – Communications  Rob MacKay-Dunn – Director of Public Policy	604-681- 2111	<a href="mailto:ceo@boardoftrade.com">ceo@boardoftrade.com</a>  <a href="mailto:media@boardoftrade.com">media@boardoftrade.com</a>  <a href="mailto:advocacy@boardoftrade.com">advocacy@boardoftrade.com</a>
Canadian Bar Association <a href="https://www.cba.org/Home">https://www.cba.org/Home</a>	Maureen Cameron – Director of Communications Jennifer Chow – President		
Canadian Homebuilders Association of BC <a href="https://education.chbabbc.org/home.php">https://education.chbabbc.org/home.php</a>	Neil Moody – CEO Kelly Reid – VP Alycia Coulter		
Independent Contractors & Business Association of BC <a href="http://icba.ca/">http://icba.ca/</a>	Catherine Loiacono  Gord Stewart		
UBC/Generation Squeeze <a href="http://www.gensqueeze.ca/">http://www.gensqueeze.ca/</a>	Paul Kershaw – Founder	604 827- 5393	<a href="mailto:paul.kershaw@ubc.ca">paul.kershaw@ubc.ca</a>
Canadian Centre for Economic Analysis (CANCEA)	Paul Smetanin - CEO	416 782- 7475 ext	<a href="mailto:paul.smetanin@cancea.ca">paul.smetanin@cancea.ca</a>

<a href="http://www.cancea.ca/">http://www.cancea.ca/</a>		401	
Canada Mortgage and Housing Corp (CMHC) <a href="https://www.cmhc-schl.gc.ca/en/index.cfm">https://www.cmhc-schl.gc.ca/en/index.cfm</a>	Evan Siddall - President		
Urban Development Institute (Pacific Region) <a href="http://www.udi.bc.ca/">http://www.udi.bc.ca/</a>	Anne McMullin - President & CEO	604 661-3030	<a href="mailto:amcmullin@udi.org">amcmullin@udi.org</a>
Condominium Home Owners Assn <a href="http://www.choa.bc.ca/">http://www.choa.bc.ca/</a>	Tony Gioventu – Executive Director	604 584-2462 ext. 1	<a href="mailto:tony@choa.bc.ca">tony@choa.bc.ca</a>

## Papadopoulos, Nikki OHCS:EX

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**From:** Steves, Gregory OHCS:EX  
**Sent:** Wednesday, December 7, 2016 4:30 PM  
**To:** Page, Doug OHCS:EX  
**Subject:** Fwd: Stakeholders list  
**Attachments:** DAP\_Stakeholders.docx; ATT00001.htm

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BC Real Estate Association (BCREA) <a href="http://www.bcrea.bc.ca/">http://www.bcrea.bc.ca/</a>	Damian Stathonikos – Communications Director  Member Boards contacts: <a href="http://www.bcrea.bc.ca/about/member-boards">http://www.bcrea.bc.ca/about/member-boards</a>	604 742-2793	<a href="mailto:dstathonikos@bcrea.bc.ca">dstathonikos@bcrea.bc.ca</a>
Real Estate Board of Greater Vancouver <a href="http://www.rebgv.org/">http://www.rebgv.org/</a>	Craig Munn – Communications Manager  Harriet Permut – Government Relations Manager	604-730- 3000	
Real Estate Council of British Columbia <a href="https://www.recbc.ca/">https://www.recbc.ca/</a>	Marilee Peters – Communications Officer	604 683- 9664	<a href="mailto:info@recbc.ca">info@recbc.ca</a>
Mortgage Brokers Association of BC <a href="http://www.mbabc.ca/">http://www.mbabc.ca/</a>	Tiffany Pedersen – Events & Communications Manager	604 408- 9989	<a href="mailto:tiffany@mbabc.ca">tiffany@mbabc.ca</a>
Mortgage Professionals Canada <a href="http://www.mortgageproscan.ca/en/site/region/British-Columbia">http://www.mortgageproscan.ca/en/site/region/British-Columbia</a>		416 385- 2333	<a href="mailto:communications@mortgageproscan.ca">communications@mortgageproscan.ca</a>
Canadian Bankers Association <a href="http://www.cba.ca/">http://www.cba.ca/</a>	Anthony Polci – VP, Government Relations	613-234- 4431, ext. 224	<a href="mailto:apolci@cba.ca">apolci@cba.ca</a>
VanCity <a href="https://www.vancity.com/">https://www.vancity.com/</a>	Lauren Dobell	Media phone: 778 837-0394	<a href="mailto:mediarelations@vancity.com">mediarelations@vancity.com</a>
Central 1 Credit Union <a href="https://www.central1.com/">https://www.central1.com/</a>			<a href="mailto:communications@central1.com">communications@central1.com</a>

## Additional stakeholders

Stakeholder Group	Contact	Phone	Email
BC Chamber of Commerce <a href="http://www.bcchamber.org/">http://www.bcchamber.org/</a>	Dan Baxter – Director of Policy Development, Government & Stakeholder Relations	604 638- 8116	<a href="mailto:dbaxter@bcchamber.org">dbaxter@bcchamber.org</a>
Business Council of BC <a href="http://www.bcbc.com/">http://www.bcbc.com/</a>	Cheryl Muir – VP Communications  Ken Peacock – Chief Economist and VP	604 696- 6582	<a href="mailto:cheryl.muir@bcbc.com">cheryl.muir@bcbc.com</a>
Canadian Association of Financial Institutions <a href="http://www.cafii.com/">http://www.cafii.com/</a>	Brendan Wycks – Executive Director	647-218- 8243	<a href="mailto:brendan.wycks@cafii.com">brendan.wycks@cafii.com</a>
Vancouver Board of Trade <a href="https://www.boardoftrade.com/">https://www.boardoftrade.com/</a>	Iain Black – President and CEO  Greg Hoekstra – Communications  Rob MacKay-Dunn – Director of Public Policy	604-681- 2111	<a href="mailto:ceo@boardoftrade.com">ceo@boardoftrade.com</a>  <a href="mailto:media@boardoftrade.com">media@boardoftrade.com</a>  <a href="mailto:advocacy@boardoftrade.com">advocacy@boardoftrade.com</a>
Canadian Bar Association <a href="https://www.cba.org/Home">https://www.cba.org/Home</a>	Maureen Cameron – Director of Communications Jennifer Chow – President		
Canadian Homebuilders Association of BC <a href="https://education.chbabbc.org/home.php">https://education.chbabbc.org/home.php</a>	Neil Moody – CEO Kelly Reid – VP Alycia Coulter		
Independent Contractors & Business Association of BC <a href="http://icba.ca/">http://icba.ca/</a>	Catherine Loiacono  Gord Stewart		
UBC/Generation Squeeze <a href="http://www.gensqueeze.ca/">http://www.gensqueeze.ca/</a>	Paul Kershaw – Founder	604 827- 5393	<a href="mailto:paul.kershaw@ubc.ca">paul.kershaw@ubc.ca</a>
Canadian Centre for Economic Analysis (CANCEA)	Paul Smetanin - CEO	416 782- 7475 ext	<a href="mailto:paul.smetanin@cancea.ca">paul.smetanin@cancea.ca</a>



<a href="http://www.cancea.ca/">http://www.cancea.ca/</a>		401	
Canada Mortgage and Housing Corp (CMHC) <a href="https://www.cmhc-schl.gc.ca/en/index.cfm">https://www.cmhc-schl.gc.ca/en/index.cfm</a>	Evan Siddall - President		

## Papadopoulos, Nikki OHCS:EX

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**From:** Rotgans, Trudy OHCS:EX  
**Sent:** Friday, November 4, 2016 11:54 AM  
**To:** Page, Doug OHCS:EX  
**Subject:** FW: DAP/s.12,

**Categories:** Provided FOI, Red Category

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**From:** Donna (Freeman) Evans [<mailto:dfreeman@bchousing.org>]  
**Sent:** Friday, November 4, 2016 9:15 AM  
**To:** Platts, Robin GCPE:EX; Steves, Gregory OHCS:EX; Rotgans, Trudy OHCS:EX  
**Cc:** Ally Skinner-Reynolds  
**Subject:** RE: DAP/s.12,s.  
42

We've had conversations with the Ministry of Finance communicators. At this point the preferred announcement date of one of the pieces is Jan 9<sup>th</sup>...but not confirmed yet. We have indicated we cannot be ready with program process details until December 19<sup>th</sup> at the earliest. There has been limited discussion of which minister would lead. We are working with them on identifying communications' materials. We would be creating most of them and working with them on an animated video, time allowing.

Ally, did this come up in this week's conversation with MOF?

---

**From:** Platts, Robin GCPE:EX [<mailto:Robin.Platts@gov.bc.ca>]  
**Sent:** November-04-16 8:35 AM  
**To:** Gregory Steves; Rotgans, Trudy OHCS:EX; Donna (Freeman) Evans  
**Subject:** DAP/s.12,

Hi

For these two remaining pieces, what is your current understanding of, a. when they might be ready to announce, b. which ministry will prep materials, and c. which minister will lead the announcement?

Thanks

Robin Platts  
Government Communications and Public Engagement  
Ministry of Natural Gas Development and Responsible for Housing  
250-387-1373

## Papadopoulos, Nikki OHCS:EX

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**From:** Rotgans, Trudy OHCS:EX  
**Sent:** Friday, November 4, 2016 9:13 AM  
**To:** Page, Doug OHCS:EX  
**Subject:** FW: DAP/s.12, (1)

**Categories:** Provided FOI, Red Category

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**From:** Steves, Gregory OHCS:EX  
**Sent:** Friday, November 4, 2016 8:39 AM  
**To:** Platts, Robin GCPE:EX  
**Cc:** Rotgans, Trudy OHCS:EX; Donna (Freeman) Evans  
**Subject:** Re: DAP/s.12,

s.12,s.13

I believe dap will be mid December with bc housing prepping materials. Either MRC or pcc as the lead.

Sent from my iPhone

On Nov 4, 2016, at 8:35 AM, Platts, Robin GCPE:EX <[Robin.Platts@gov.bc.ca](mailto:Robin.Platts@gov.bc.ca)> wrote:

Hi

For these two remaining pieces, what is your current understanding of, a. when they might be ready to announce, b. which ministry will prep materials, and c. which minister will lead the announcement?

Thanks

Robin Platts  
Government Communications and Public Engagement  
Ministry of Natural Gas Development and Responsible for Housing  
250-387-1373

## Hirji, Keivan MNGD:EX

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**From:** Woolley, Paul GCPE:EX  
**Sent:** Wednesday, December 14, 2016 5:49 PM  
**To:** Diacu, Raz MNGD:EX; Hirji, Keivan MNGD:EX  
**Cc:** Harbord, Darren GCPE:EX; Ash, Christine GCPE:EX; Beaupre, Darren GCPE:EX; Platts, Robin GCPE:EX; Barnettson, Luella MNGD:EX; Giles, Alison GCPE:EX  
**Subject:** Fw: Docs - 530PM  
**Attachments:** HOME Partnership\_MLA Kit KM-QA\_13Dec16\_16.docx; 2016PREM0153-002759.pdf; GPE16-031\_Housing Campaign\_HOME\_8.5x11 (1).pdf; HousingDownpayment\_TechBrief\_PPT\_C - Dec 13 - 7PM.PPTX; HOME Partnership\_ConsolidatedQA\_Dec12\_DRAFT\_CLEAN.docx

**Importance:** High

Sent from my BlackBerry 10 smartphone on the TELUS network.

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**From:** Edwardson, Jamie GCPE:EX <[Jamie.Edwardson@gov.bc.ca](mailto:Jamie.Edwardson@gov.bc.ca)>  
**Sent:** Wednesday, December 14, 2016 5:35 PM  
**To:** Fraser, John Paul GCPE:EX; Wolford, Jessica GCPE:EX; Woolley, Paul GCPE:EX  
**Cc:** Dila, Mary GCPE:EX; Ozawa, Hide GCPE:EX  
**Subject:** FW: Docs - 530PM

Fixes some language in the master Q/A.

s.22 so pls call if there are issues. I might not see a text immediately.

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**From:** Edwardson, Jamie GCPE:EX  
**Sent:** Wednesday, December 14, 2016 5:03 PM  
**To:** Wolford, Jessica GCPE:EX; Fraser, John Paul GCPE:EX; Woolley, Paul GCPE:EX  
**Cc:** Ozawa, Hide GCPE:EX; Dila, Mary GCPE:EX  
**Subject:** Docs - 5PM  
**Importance:** High

Jamie Edwardson  
Communications Director | Ministry of Finance | Province of British Columbia  
P: (250) 356-2821 | M: (250) 888-0021 | [jamie.edwardson@gov.bc.ca](mailto:jamie.edwardson@gov.bc.ca)

Page 002

Withheld pursuant to/removed as

DUPLICATE

## **MLA Kit – BC Home Owner Mortgage and Equity Partnership**

**Dec. 13, 2016**

### **Key Messages:**

- If you're entering the market to buy your first home, the B.C. government is launching a new program to partner with you on the down payment for your mortgage.
- Through the B.C. Home Owner Mortgage and Equity Partnership (B.C. HOME Partnership) program, the Province is investing about \$703 million over the next three years to help an estimated 42,000 B.C. households enter the market for the first time.
- The B.C. HOME Partnership program contributes to the amount first-time homebuyers have already saved for their down payment, providing up to \$37,500, or 5% of the purchase price, with a 25-year loan that is interest-free and payment-free for the first five years.
- Saving for a down payment can be hard for first-time buyers. As the first five years are interest- and payment-free, the program partners with first-time buyers to help them enter the housing market and help make homeownership more affordable.
- After the first five years, homebuyers begin making monthly payments at current interest rates.
- Ensuring the dream of home ownership remains within reach is a key part of our approach to housing affordability, along with increasing housing supply; smart transit expansion; supporting first-time home buyers; ensuring consumer protection; and increasing rental supply.

### **Questions and Answers:**

#### **1. What is the B.C. HOME Partnership program?**

The B.C. Home Owner Mortgage and Equity Partnership (B.C. HOME Partnership) program partners with first-time homebuyers by contributing to the amount they've already saved for their down payment with a 25-year mortgage loan of up to 5% of the home's purchase price.

The loan is interest-free and payment for the first five years if the home remains the buyer's principal residence. The maximum loan amount of \$37,500 is based on a home purchase price of \$750,000. Through the program, the Province is providing about \$703 million in loans over the next three years (starting Feb. 15, 2017) to help an estimated 42,000 B.C. households enter the market for the first time.

#### **2. What are the B.C. HOME Partnership program's benefits?**

Saving for a mortgage down payment can be hard for first-time homebuyers. As the first five years are interest- and payment-free, the program partners with first-time buyers to help them enter the housing market and help make homeownership more affordable.

#### **3. When does this program begin?**

Applications will be accepted starting Jan. 16, 2017, for purchases that close on or after Feb. 15, 2017.

#### **4. How long will this program run?**

The program will run from Jan. 16, 2017 until March 31, 2020.

**5. Is the program available throughout the province?**

Yes, the B.C. HOME Partnership program will assist first-time British Columbia homebuyers province-wide. The \$750,000 threshold was chosen so that first-time buyers will be able to find a property, regardless of which region of the province they choose to buy and live in.

**6. How does the partnership loan work?**

The B.C. HOME Partnership program loan will contribute to the cash down payment provided by the applicant, up to a maximum of 5% of the purchase price (the maximum purchase price is \$750,000 and thus the maximum loan is \$37,500). Eligible first-time buyers must have saved a down payment amount at least equal to the loan amount for which they applied.

The combined cash down payment and partnership loan must meet the minimum down payment requirements to qualify for an insured residential first mortgage for the home and be equal to or less than 20% of the purchase price.

Repayment details:

- Year 0-5 – payment and interest free
- Year 6-25 – monthly repayments at market interest rate

**7. How does this program help potential homebuyers with affordability?**

This program is designed to partner with first-time homebuyers who can afford the costs of home ownership but are having trouble saving the required down payment. The program also helps first-time homebuyers during the first five years when the costs of home ownership are often the most challenging. In many areas of the province, the average home can cost \$400,000 or \$500,000. Saving the required minimum down payment of \$20,000 or \$25,000 can be difficult for many people.

**8. How else are you helping British Columbians with housing affordability?**

We heard British Columbia's first-time buyers when they told us they want their government to help them access the housing market, so they can build a secure and stable future for themselves and their families.

The Province has a number of programs aimed at making housing more affordable, and not every program is right for every person. Other programs helping home buyers and homeowners include the First Time Home Buyers program, the Newly Built Homes exemption, the home owner grant, and property tax deferment.

This year, we've committed to investing \$855 million to support the creation of 4,900 units of affordable rental housing. These units are specifically designated for low- to moderate-income renters, adults with developmental disabilities, youth aging out of care, seniors, students, women and children fleeing abuse, and First Nations.

**9. What criteria must home buyers meet to qualify for partnership assistance?**

To qualify for a partnership loan, all individuals who will have a registered interest on the title of the home must be included on the application and meet all of the following eligibility requirements:

- Have been a Canadian citizen or permanent resident for at least five years.
- Have resided in British Columbia for at least one year immediately preceding the date of their application.

- Be a first-time home buyer who has not owned an interest in a residence anywhere in the world at any time (and has never received a first-time homebuyers' exemption or refund).
- The home being purchased will only be used as their principal residence for the first 5 years. (Principal Residence is defined as the home that is designated (and is eligible to be designated) as the owner's principal residence for tax purposes, and where all persons registered on title live permanently in a self-contained unit with access to all living facilities at all times to conduct their daily activities (such as: cooking, sleeping, and bathroom).
- Purchase a home that is \$750,000 or less.
- The combined, gross household income of all individuals on title must not exceed \$150,000.
- Show proof of pre-approval for an insured high-ratio first mortgage (mortgage down payment is less than 20% of the home price).

#### 10. What is the average home price in cities throughout the province?

Average home prices vary in the different regions of the province. The \$750,000 threshold was chosen to help ensure that first-time buyers will be able to find a property regardless of where they live in the province.

MLS benchmark prices (November 2016) are as follows according to local real estate boards:

Community	Condo	Townhome	Single-family detached home
Greater Vancouver	\$512,100	\$667,100	\$1,511,100
Greater Victoria	\$371,300	\$501,300	\$620,100
South Okanagan*	\$200,595	\$288,275	\$432,449
Fraser Valley	\$258,600	\$424,300	\$860,800

#### Sources:

Greater Vancouver: <http://www.rebgv.org/monthly-reports?month=November&year=2016>

Greater Victoria: <http://www.vreb.org/pdf/VREBNewsReleaseFull.pdf>

\*(Average price) South Okanagan:

[http://www.soreb.org/includes/South Okanagan/stats/2016/NOV16/NOV16SO.pdf](http://www.soreb.org/includes/South%20Okanagan/stats/2016/NOV16/NOV16SO.pdf)

Fraser Valley: <http://www.fvreb.bc.ca/statistics/Package201611.pdf>

According to the Canadian Real Estate Association, the average price of a home sold in October 2016 was:

- BC Northern: \$265,459 - <http://creastats.crea.ca/cari/>
- Kamloops and District: \$362,352 - <http://creastats.crea.ca/kaml/>
- Chilliwack and District: \$417,242 - <http://creastats.crea.ca/chil/>
- Kootenay: \$290,183 - <http://creastats.crea.ca/koot/>



Residential Area	MLS average price (dollars)			MLS Median price (dollars)		
	Single-family	Apartment	Townhome	Single-family	Apartment	Townhome
Abbotsford	\$ 677,809	\$ 358,994	\$ 218,076	\$ 614,500	\$ 363,800	\$ 194,700
Mission	\$ 537,500	\$ 315,000	\$ 208,000	\$ 580,918	\$ 314,414	\$ 242,417
Victoria	\$ 810,792	\$ 393,901	\$ 509,965	\$ 666,000	\$ 327,750	\$ 430,000
Nanaimo	\$ 502,056	\$ 306,922	\$ 271,309	\$ 427,500	\$ 299,089	\$ 237,500
Parksville	\$ 579,326	\$ 338,759	\$ 189,929	\$ 451,000	\$ 342,000	\$ 159,000
Cowichan Valley	\$ 457,130	\$ 282,483	\$ 178,644	\$ 400,500	\$ 297,950	\$ 148,000
Campbell River	\$ 386,700	\$ 273,137	\$ 150,761	\$ 345,000	\$ 263,000	\$ 141,500
Port Alberni	\$ 322,507	\$ 155,375	\$ 88,000	\$ 269,900	\$ 112,250	\$ 88,000
Fort St. John	\$ 409,657	n/a	\$ 312,400	\$ 360,000	n/a	\$ 312,400
Prince Rupert	\$ 256,821	n/a	\$ 89,250	\$ 271,000	n/a	\$ 89,500

Source: CREA

Note: Data is most recent available up to October 2016

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## NEWS RELEASE

For Immediate Release  
2016PREM0153-002759  
Dec. 15, 2016

Office of the Premier  
Ministry of Natural Gas Development  
and Responsible for Housing

### **New program partners with first-time homebuyers as they enter the housing market**

VANCOUVER – If you're entering the market to buy your first home, the B.C. government is launching a new program to partner with you on the down payment for your mortgage, B.C. Premier Christy Clark announced today.

"We believe every British Columbian deserves a place to call home," said Premier Christy Clark. "We've invested in affordable rental housing, we've invested in transitional and emergency housing, and now we're partnering with first-time buyers to make the purchase of their first home more affordable."

Saving for a mortgage down payment can be hard for first-time homebuyers. The B.C. Home Owner Mortgage and Equity Partnership program contributes to the amount first-time homebuyers have already saved for their down payment, providing up to \$37,500, or up to 5% of the purchase price, with a 25-year loan that is interest-free and payment-free for the first five years. Through the B.C. HOME Partnership program, the Province is investing about \$703 million over the next three years to help an estimated 42,000 B.C. households enter the market for the first time.

"The first step into the market can be the hardest step, so our government will partner with homebuyers to help them achieve their minimum down payment," said Rich Coleman, Minister of Natural Gas Development and Minister Responsible for Housing. "This partnership can help lower their monthly costs in the first five years, and help make home ownership more affordable. This partnership program is another important way we're taking action on housing affordability."

During the first five years, no monthly interest or principal payments are required as long as the home remains the homebuyer's principal residence. After the first five years, homebuyers begin making monthly payments at current interest rates. Homebuyers will repay the loan over the remaining 20 years, but may make extra payments or repay it in full at any time without penalty. The loan must be repaid in full when the home is sold or transferred to another owner.

To be eligible, buyers must be preapproved for an insured high-ratio first mortgage (mortgage down payment is less than 20% of the home price). On completion of the sale, program funds will be advanced and the loan will be registered as a second mortgage on the property's title.

Other programs are available to help first-time buyers save on property transfer tax. The First Time Home Buyers Program can save first-time buyers up to \$7,500 when purchasing a home valued up to \$475,000. Or, first-time buyers can access the Newly Built Homes Exemption, which can save buyers up to \$13,000 in property transfer tax when purchasing a newly

constructed or subdivided home worth up to \$750,000.

The B.C. Home Owner Mortgage and Equity Partnership program will start accepting applications Jan. 16, 2017.

**Key Facts:**

The Province's commitment to housing action is driven by six key principles:

- Ensuring the dream of home ownership remains within the reach of the middle class
  - Increasing housing supply
  - Smart transit expansion
  - Supporting first-time home buyers
  - Ensuring Consumer Protection
  - Increasing rental supply
- The B.C. government has committed \$855 million over five years, including \$575 million this year, to support the construction or renovation of 4,900 units of affordable housing throughout the province.
- Since 2001, the B.C. government has invested \$4.9 billion to provide affordable housing for low income individuals, seniors and families.
- More than 104,000 B.C. households benefit from a diverse range of provincial housing programs and services.

**Learn More:**

Learn how to apply: [https://news.gov.bc.ca/files/Housing\\_Campaign\\_HOME.pdf](https://news.gov.bc.ca/files/Housing_Campaign_HOME.pdf)

To learn more about the Province's actions on housing affordability, visit:  
<http://housingaction.gov.bc.ca/>

For additional details about the B.C. Home Owner Mortgage and Equity Partnership program, please visit: <https://homeownerservices.bchousing.org/>

B.C. Home Owner Mortgage and Equity Partnership program, BC Housing:

Phone: 604-439-4727

Toll Free Number: 1-844-365-4727

**Media Contacts:**

Stephen Smart  
Press Secretary  
Office of the Premier  
778 389-6202

Ally Skinner-Reynolds  
BC Housing  
604 456-8895  
604 209-4399

Darren Beaupre  
Ministry of Natural Gas Development  
and Responsible for Housing  
250 356-5892  
250 213-3334



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## BACKGROUND 1

For Immediate Release  
2016PREM0153-002759  
Dec. 15, 2016

Office of the Premier  
Ministry of Natural Gas Development  
and Responsible for Housing

### **B.C. Home Owner Mortgage and Equity Partnership program details**

#### **Am I eligible for a partnership loan?**

The program supports eligible first-time homebuyers who are approved for an insured high-ratio first mortgage. To qualify for the program, all individuals on title must:

- Have been a Canadian citizen or permanent resident for at least five years.
- Have resided in British Columbia for at least one year immediately preceeding the date of application.
- Be a first-time buyer who has not owned an interest in a residence anywhere in the world at any time.
- Use the property as their principal residence for the first five years.
- Purchase a home that has a purchase price of \$750,000 or less (excluding taxes and fees).
- Obtain a high-ratio insured first mortgage on the property for at least 80% of the purchase price.
- Have a combined, gross household income of all individuals on title not exceeding \$150,000.
- Have saved a down payment amount at least equal to the loan amount for which the buyer applied.

#### **What do I do and how do I apply?**

**Step 1:** Get preapproval for an insured first mortgage from your financial lending institution.

**Step 2:** Apply to BC Housing for the B.C. Home Owner Mortgage and Equity Partnership program loan. If you are eligible, you will receive confirmation of eligibility and Homebuyer's Kit, which includes information for your lender, real estate licensee, and lawyer/notary public.

**Step 3:** Find your home and provide the details of your planned purchase to BC Housing for approval.

Applications for the program will be accepted starting Jan. 16, 2017, for purchases that will close on or after Feb. 15, 2017.

#### **What information will I need to apply?**

Buyers can begin gathering the documents they'll need to submit an online application. Buyers will need:

1. Proof of status in Canada and residency in British Columbia.

2. Secondary identification (must include your photo).
3. Proof of income and tax filings.
4. Insured first mortgage pre-approval.

More information about these requirements: <https://homeownerservices.bchousing.org/>

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Connect with the Province of B.C. at: [www.gov.bc.ca/connect](http://www.gov.bc.ca/connect)

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## BACKGROUNDER 2

For Immediate Release  
2016PREM0153-002759  
Dec. 15, 2016

Office of the Premier  
Ministry of Natural Gas Development  
and Responsible for Housing

### **Support for first-time buyers using the B.C. Home Owner Mortgage and Equity Partnership program**

#### **Example #1: Home purchase price – \$475,000**

This first-time buyer has saved \$11,875 towards their down payment, or 2.5% of the home's purchase price. Through the program, the Province will contribute \$11,875, equal to the buyer's 2.5% down payment. This brings the total down payment to \$23,750 or 5% of the home's purchase price, as required by Canada Mortgage and Housing Corporation. This loan is interest and payment-free for the first five years.

As a first-time buyer, this person can also qualify for the First Time Home Buyer's exemption for the Property Transfer Tax, saving: \$7,500.

The B.C. HOME Partnership program enabled this buyer to purchase their first home as this buyer did not have the minimum down payment saved to qualify for an insured first mortgage.

#### **Example #2: Home purchase price – \$600,000**

This first-time buyer has saved 5% of the home's purchase price towards their down payment, or \$30,000. Canada Mortgage and Housing Corporation requires a 5% down payment for the first \$500,000, and 10% for the remaining portion. This means the minimum down payment required for a home valued at \$600,000 is \$35,000. This loan is interest and payment-free for the first five years.

If this is a newly built home, the buyer can also qualify for the Newly Built Home Exemption for the Property Transfer Tax, saving: \$10,000.

The B.C. HOME Partnership program will meet this buyer's contribution of \$30,000, bringing their total down payment to \$60,000, and enabling this buyer to purchase their first home as they had not yet saved the minimum down payment required to qualify for a insured first mortgage.

#### **Example #3: Home purchase price – \$750,000**

The first-time buyer in this example has saved 7% of the home's purchase price as a down payment, or \$52,500.

Canada Mortgage and Housing Corporation requires a 5% down payment for the first \$500,000, and 10% for the remaining portion. This means the minimum down payment required for a home valued at \$750,000 is \$50,000.

The Province will meet the buyer's contribution up to 5% of the home's purchase price. In this

example, the program will contribute \$37,500 towards the down payment, allowing this buyer to put a total of \$90,000 towards the down payment of their first home.

Assuming a 3% interest rate, this buyer will save \$5,201 in interest payments during the first five years of their mortgage compared to if the buyer had purchased the home without the program.

In addition, if this is a newly built home, the buyer can also qualify for the Newly Built Home Exemption for the Property Transfer Tax, saving: \$13,000.

**Media Contacts:**

Stephen Smart  
Press Secretary  
Office of the Premier  
778 389-6202

Ally Skinner-Reynolds  
BC Housing  
604 456-8895  
604 209-4399

Darren Beaupre  
Ministry of Natural Gas Development  
and Responsible for Housing  
250 356-5892  
250 213-3334

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Connect with the Province of B.C. at: [www.gov.bc.ca/connect](http://www.gov.bc.ca/connect)



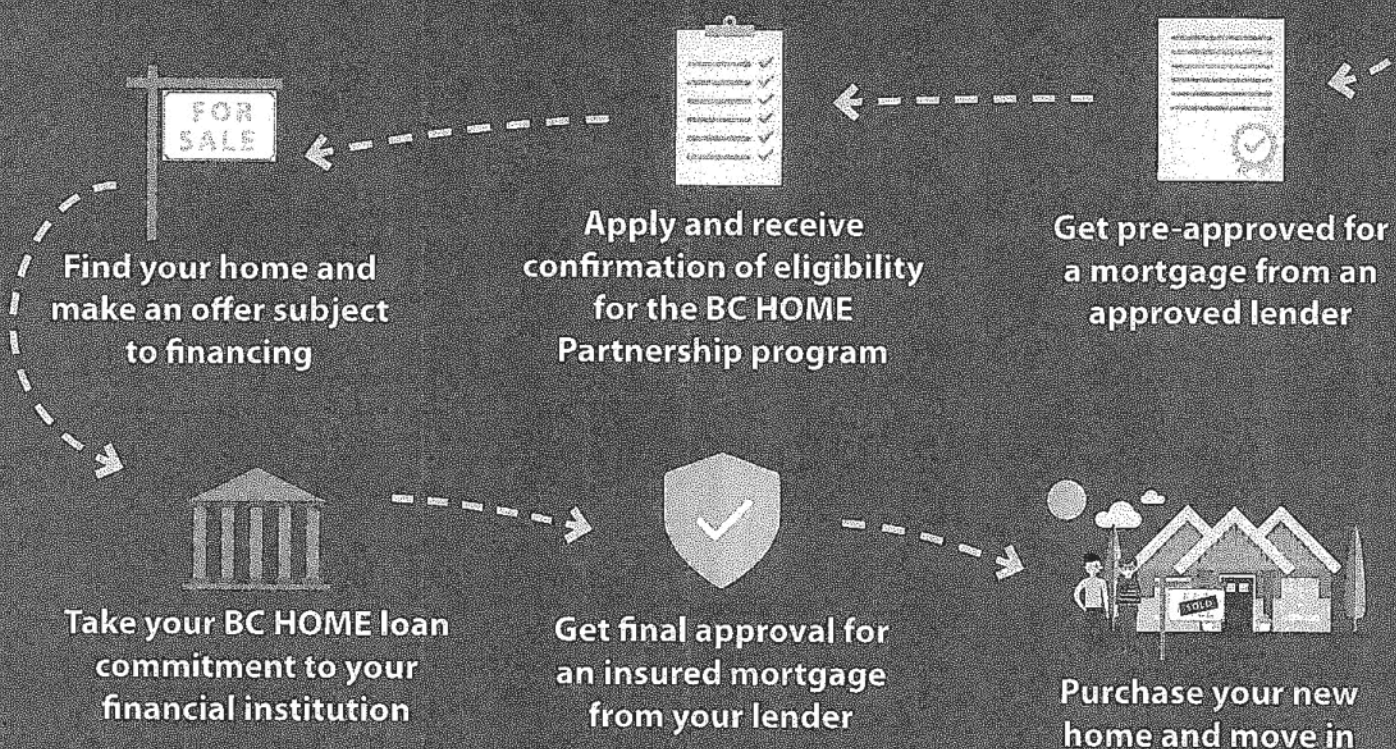
# HOUSING ACTION

## BC HOME PARTNERSHIP

### ELIGIBILITY CHECKLIST

- ☒ You are a Canadian citizen or a permanent resident for at least five years and have lived in BC for one year
- ☒ You are a first time home buyer
- ☒ You plan to purchase a home for \$750,000 or less
- ☒ You have at least half of the minimum downpayment required to purchase your home
- ☒ Your total household income is \$150,000 or less
- ☒ Your new home will be your principal residence

### HOW TO APPLY?



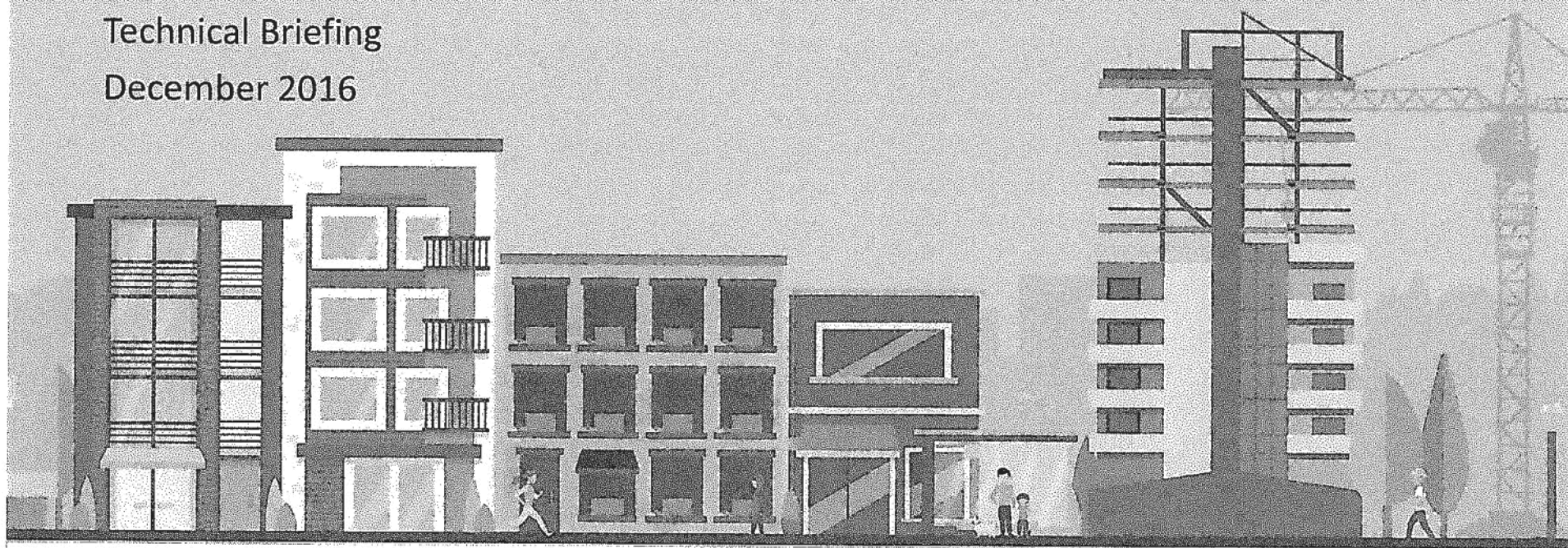
For more information and how to apply, visit [gov.bc.ca/housingaction](http://gov.bc.ca/housingaction)

Conditions apply

# B.C. Home Owner Mortgage and Equity Partnership program

Technical Briefing

December 2016







## **B.C. Home Owner Mortgage and Equity Partnership program: Overview**

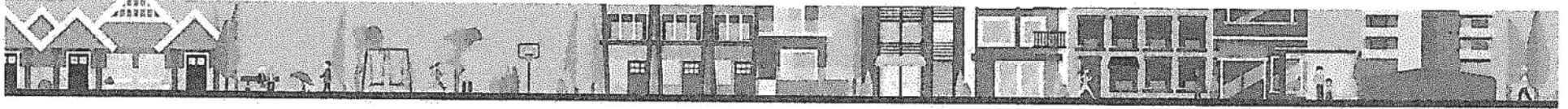
Partners with eligible homebuyers on the purchase of their first home

- Repayable partnership loans for up to 5% of the purchase price, maximum of \$37,500.
- No interest, no payment for the first 5 years.
- Applications accepted starting January 16, 2017.
- Three-year program - loans advanced from February 15, 2017, to March 31, 2020.

**Anywhere in British Columbia**



B.C. HOME Partnership Program



## Homebuyer Eligibility

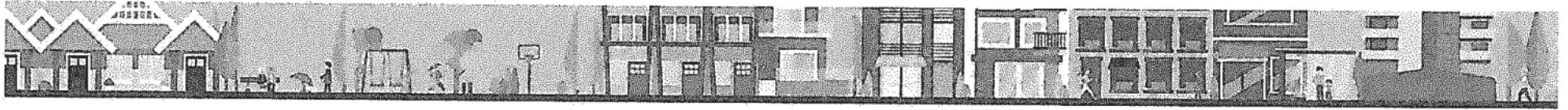
All individuals with a registered interest on title must reside in the home and:

- Be a first-time homebuyer
- Have been a Canadian citizen or permanent resident for at least five years
- Have resided in B.C. for at least 12 months
- Have a combined gross income of \$150,000 or less
- Have saved at least half of the minimum down payment they will require
- Applicants must be pre-approved for a 1<sup>st</sup> mortgage before applying

**1<sup>st</sup> mortgage must be high-ratio insured from an NHA approved lender,  
for more than 80% of the purchase price**



B.C. HOME Partnership Program



## Eligible Properties

Any legal, self-contained, mortgageable residence located in BC

- Must be used as the homebuyer's principal residence for the first 5 years
- Rental properties and seasonal/recreational properties not eligible



**Purchase price cannot exceed  
\$750,000**

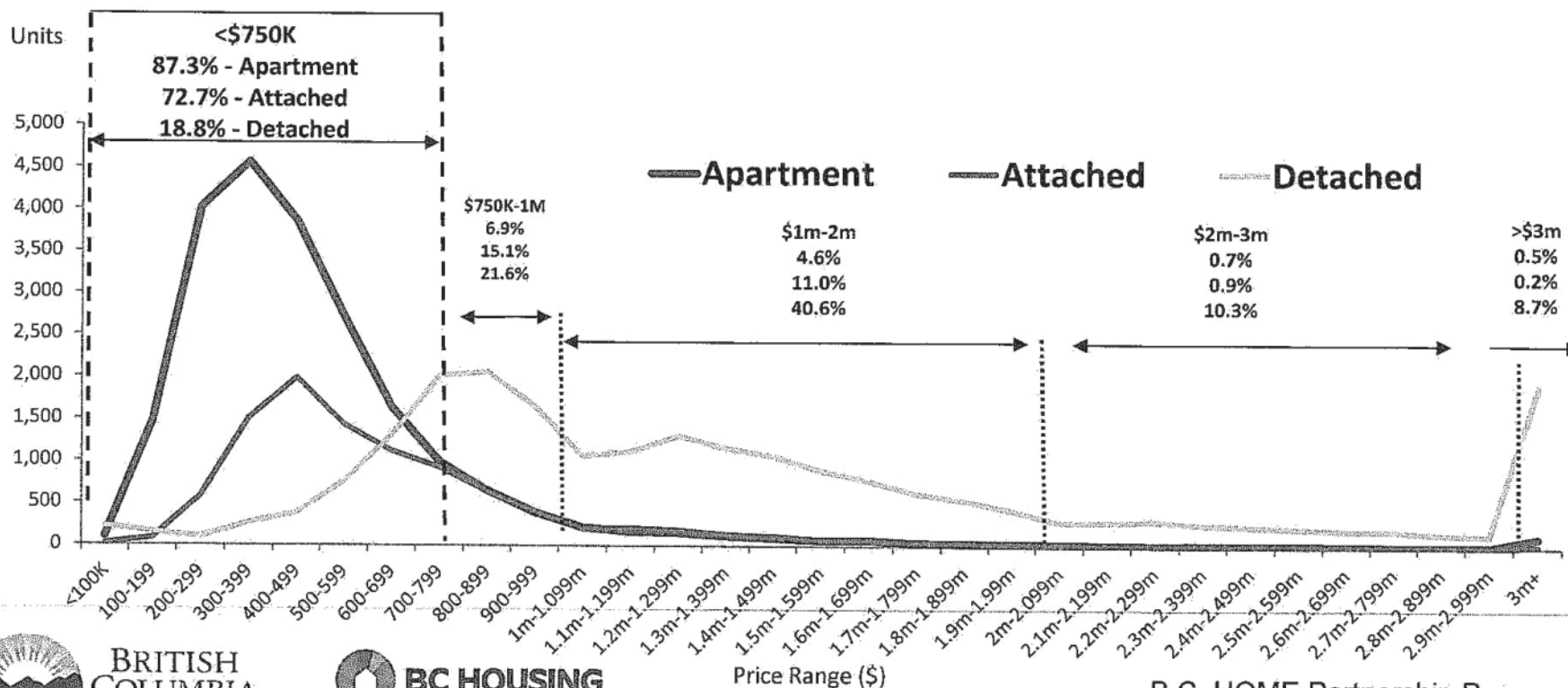


B.C. HOME Partnership Program



## 87% of apartments, 73% of attached homes, 19% of detached homes currently on market could qualify

MLS® Residential Sales by Product Type  
Metro Vancouver 2015 (Jan-Apr)

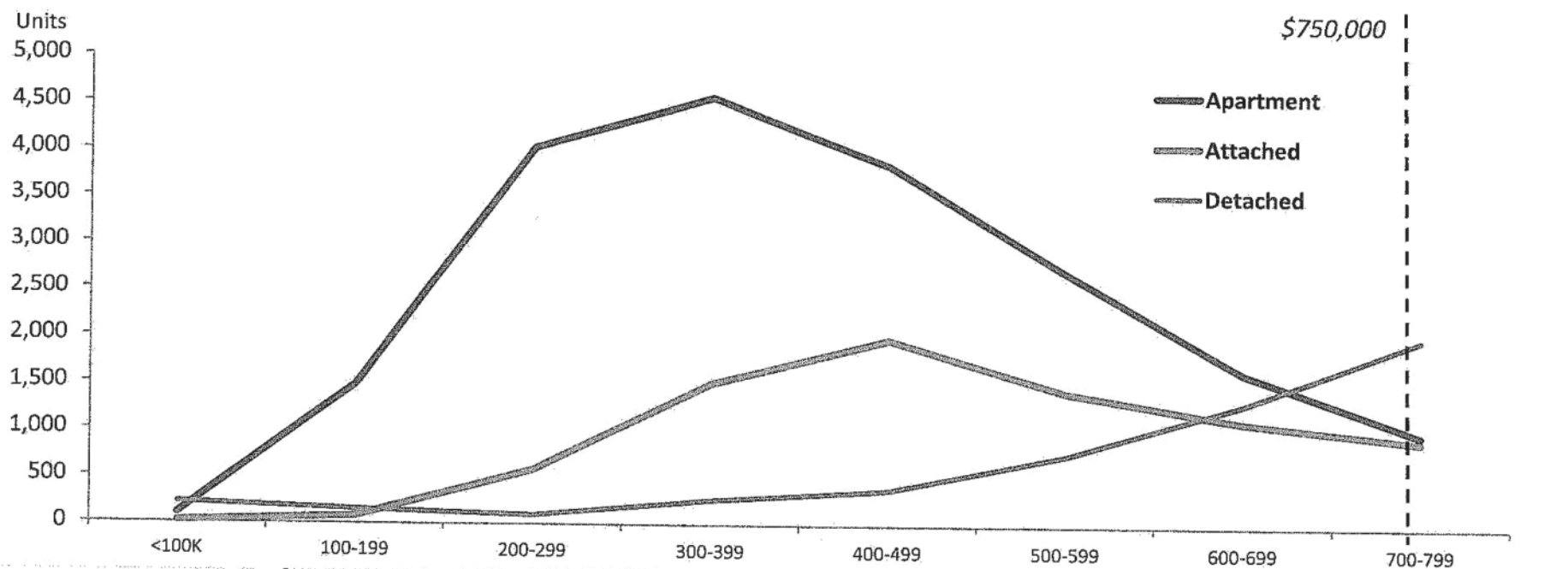


Source: REBGV, FVREB, BCREA Economics



## Distribution of Homes in Metro Vancouver that could qualify for B.C. HOME Partnership program

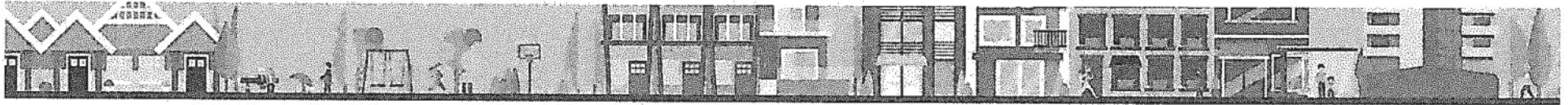
MLS® Residential Sales by Product Type – Metro Vancouver 2016 (Jan-Nov)



Price Range (\$)

B.C. HOME Partnership Program

Source: REBGV, FVREB, BCREA Economics



## **B.C. HOME Partnership Loan Examples**

Example #1 – Home purchase price \$475,000, homebuyer has saved \$11,875

- Minimum down payment required for an insured first mortgage - \$23,750
- B.C. HOME Partnership loan - \$11,875 (equal to homebuyer's down payment, equal to 2.5% of purchase price)
- Total down payment - \$23,750

**B.C. HOME Partnership enabled this homebuyer to purchase their first home as they did not have the minimum down payment saved to qualify for an insured first mortgage.**



B.C. HOME Partnership Program





## **B.C. HOME Partnership Loan Examples**

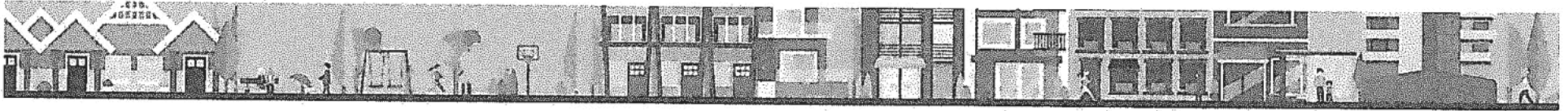
**Example #2 – Home purchase price \$600,000, homebuyer has saved \$30,000**

- Minimum down payment required for an insured first mortgage - \$35,000
- B.C. HOME Partnership Loan - \$30,000 (equal to homebuyer's down payment amount, equal to 5% of purchase price)
- Total down payment - \$60,000

**B.C. HOME Partnership enabled this homebuyer to purchase their first home as they did not have the minimum down payment saved to qualify for an insured first mortgage.**



B.C. HOME Partnership Program



## **B.C. HOME Partnership Loan Examples**

**Example #3 – Home purchase price \$750,000, homebuyer has saved \$52,500**

- Minimum down payment required for an insured first mortgage - \$50,000
- B.C. HOME Partnership Loan - \$37,500 (maximum 5% of purchase price)
- Total down payment - \$90,000

**At 3%, this homebuyer will save \$5,201 in interest payments during the first 5 years of their mortgage compared to if they had purchased the home without B.C. HOME Partnership .**



B.C. HOME Partnership Program



## B.C. Programs combine to benefit homebuyers

Home purchase price: **\$475,000**

First Time Home Buyer's exemption:  
*Property transfer tax savings: **\$7,500***

B.C. HOME Partnership program:  
*Down payment loan up to: **\$11,875***

B.C. HOME Partnership program  
loans are interest-free and  
payment-free for  
five years.



Home purchase price: **\$750,000**

Newly Built Home exemption:  
*Property transfer tax savings: **\$13,000***

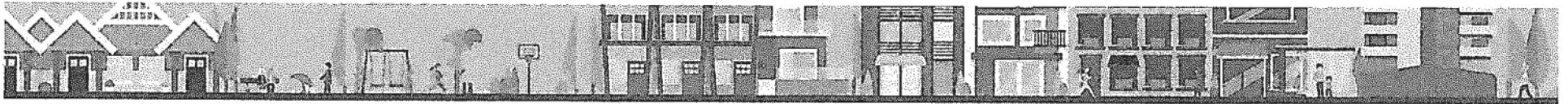
B.C. HOME Partnership program:  
*Down payment loan up to: **\$37,500***

B.C. HOME Partnership program loans  
are interest-free and payment-free for  
five years.

BC Housing estimates savings: **\$5,200**




B.C. HOME Partnership Program



## Apply Online

Applicants register for a *MyBCHousing* account and complete their HOME Partnership applications online

[Website](#) | [My Profile](#) | [Notifications](#)

 **MyBCHousing**

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### My BC Housing Account

**Email**

**Password**

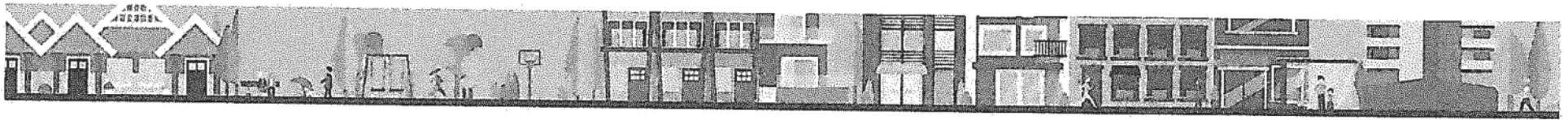
**Sign in**

[I forgot my password](#)

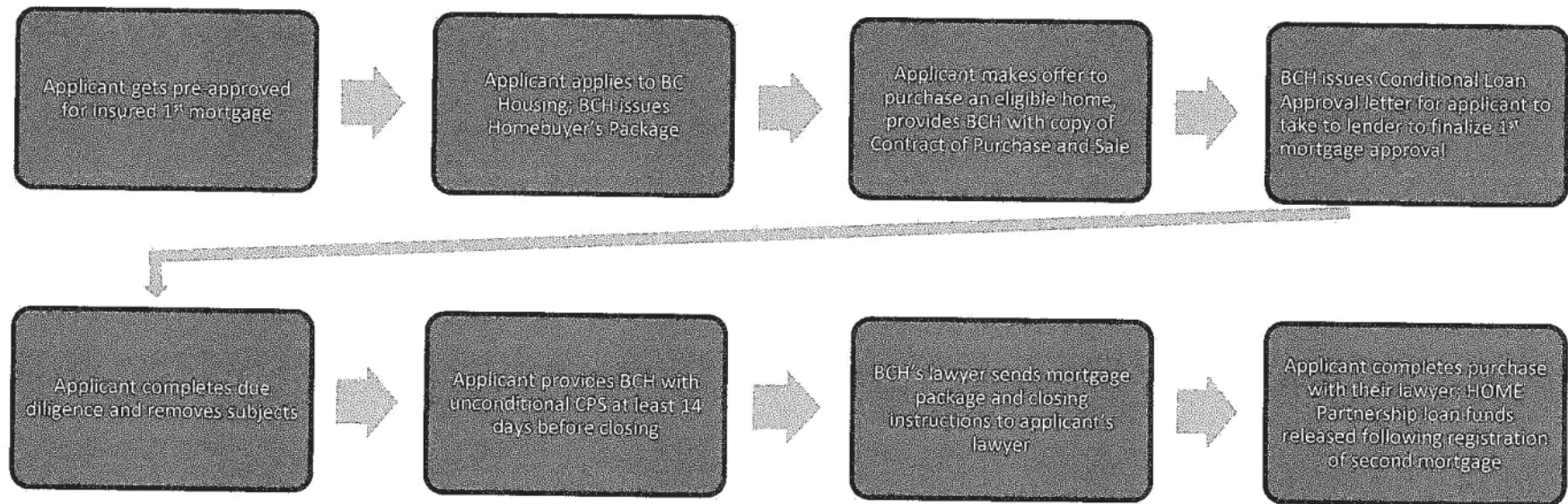
[Don't have an account? Create one now.](#)



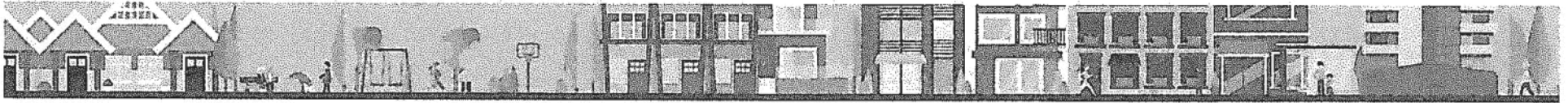
B.C. HOME Partnership Program



## Process



B.C. HOME Partnership Program



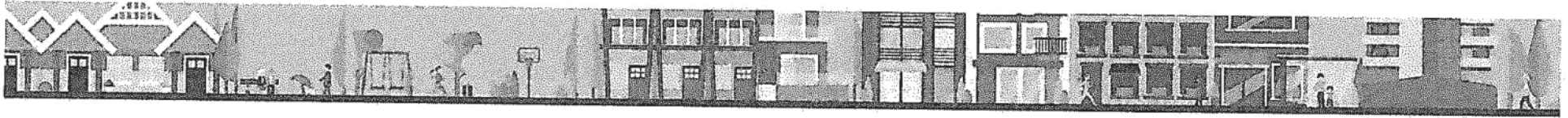
## Homebuyer's Package

Provided to homebuyer once they apply online and eligibility is confirmed

- Confirmation of eligibility letter highlighting key details and dates
- Homebuyer's Package - program overview and Homebuyer's Checklist
- Information and program overview for the professionals the homebuyer will work with:
  - Lender's Package
  - Real Estate licensee's Package
  - Lawyer/Notary Public's Package



B.C. HOME Partnership Program

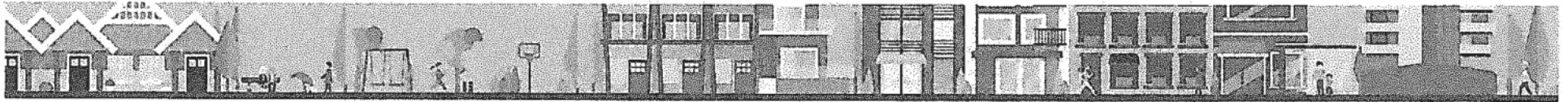


## HOME Partnership Loans

- Up to 25 year term, registered second mortgage
- Interest and payment free for the first five years
- Monthly principal and interest payments begin in year six, amortized over remaining 20 years
- Interest rate for years 6 to 10 set near first mortgage rate at time mortgage is registered
- Interest rate reset to near first mortgage rate at years 10, 15 and 20
- Homeowner may repay in full or in part at anytime without penalty



B.C. HOME Partnership Program



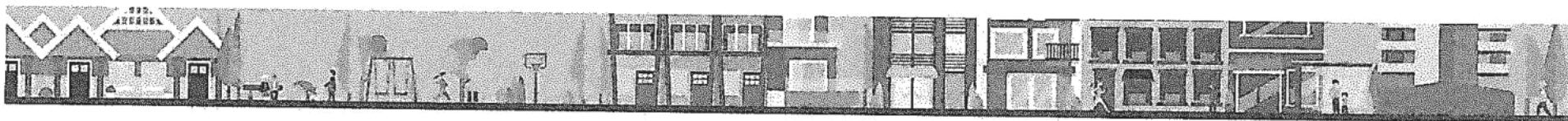
## HOME Partnership Loans

- Due and payable in full upon:
  - The home ceasing to be the principal residence in the first five years
  - Default on the first mortgage
  - Sale of home or change of ownership (adding anyone to title)
  - Any other default on the HOME Partnership second mortgage



B.C. HOME Partnership Program





## Forecast HOME Partnership Loans

	2016/17	2017/18	2018/19	2019/20	Total
New Loans Issued (number)	2,778	11,110	13,110	15,110	42,108
New Loans Issued (\$ millions)	47	185	219	252	703

**Estimated Average Loan Amount : \$16,685**



B.C. HOME Partnership Program



# Questions?



B.C. HOME Partnership Program

# Confidential: Internal Use Only

## BC HOME Partnership Questions and Answers December 12, 2016

### **Program Overview and Design**

#### **1. What is the BC HOME Partnership program?**

The B.C. Home Owner Mortgage and Equity Partnership (HOME Partnership) program partners with first-time homebuyers by contributing to the amount they've already saved for their down payment with a 25-year mortgage loan of up to 5% of the home's purchase price. Eligible first-time buyers must have saved a down payment amount at least equal to the loan amount for which they applied.

The loan is interest-free and payment for the first five years if the home remains the buyer's principal residence. The maximum loan amount of \$37,500 is based on a home purchase price of \$750,000. Through the program, the Province is providing about \$703 million in loans over the next three years (starting Feb. 15, 2017) to help an estimated 42,000 B.C. households enter the market for the first time.

#### **2. What are the BC HOME Partnership program's benefits?**

Saving for a mortgage down payment can be hard for first-time homebuyers. As the first five years are interest- and payment-free, the program partners with first-time buyers to help them enter the housing market and help make homeownership more affordable.

#### **3. When does this program begin?**

Applications will be accepted starting Jan. 16, 2017, for purchases that close on or after Feb. 15, 2017.

#### **4. How long will this program run?**

The program will run from Jan. 16, 2017 until March 31, 2020.

#### **5. Is the program available throughout the province?**

Yes, the partnership program will assist first-time British Columbia homebuyers province-wide. The \$750,000 threshold was chosen so that first-time buyers will be able to find a property, regardless of which region of the province they choose to buy and live in.

#### **6. How many home buyers are expected to be assisted through the program?**

Over the next three years, the program will partner with about 42,000 B.C. households to help them enter the market for the first time.

#### **7. How is this number of loans calculated?**

The estimated demand for the program was based on the number of first-time home buyers purchasing homes in B.C. using CMHC insured first mortgages in recent years.

#### **8. Who manages the program?**

BC Housing will manage the program.

#### **9. Is there a limit to how many loans will be given each year?**

There is no limit to the number of loans approved in any given year.

## Confidential: Internal Use Only

**10. How does this program help potential homebuyers with affordability? It sounds like it's designed for people who already qualify for mortgages and doesn't help anyone get into the market.**

This program is designed to partner with first-time homebuyers who can afford the costs of home ownership but are having trouble saving the required down payment. The program also helps first-time homebuyers during the first five years when the costs of home ownership are often the most challenging. In many areas of the province, the average home can cost \$400,000 or \$500,000. Saving the required minimum down payment of \$20,000 or \$25,000 can be difficult for many people.

**11. Shouldn't the government focus on helping the homeless and people with lower incomes?**

Since 2001, we have invested \$4.9 billion to provide affordable housing for low income individuals, seniors and families. More than 104,000 B.C. households benefit from a diverse range of provincial housing programs and services.

The Province provides more than \$70 million to fund close to 2,000 permanent, year-round shelter beds in B.C., more than double the number of beds that were available in 2001.

This year, we've committed to investing \$855 million to support the creation of 4,900 units of affordable rental housing. These units are specifically designated for low- to moderate-income renters, adults with developmental disabilities, youth aging out of care, seniors, students, women and children fleeing abuse, and First Nations.

**12. Why aren't you doing anything about growing waitlists for subsidized housing?**

BC Housing manages the Housing Registry, a membership-based database used to manage and prioritize applications for social housing. Many of the people with an application in the registry are already housed, but in housing that doesn't meet their current needs.

The registry is not a waitlist. When someone applies to the registry, they are offered housing based on need. When a unit becomes available, a number of variables are considered:

- Women who have left a violent relationship receive priority placement.
- Health concerns may necessitate a specific type of unit to address the individual's needs.
- Stability of current accommodation – for example a family living in shared accommodations or a family of four in a cramped apartment.

**13. Why are you announcing this program now? Hasn't the federal government tried to limit the amount of debt people can take on? Does this program encourage people to take on more debt than they can afford?**

Both the federal and the provincial governments want a stable housing market that is affordable to ordinary Canadians. The recent federal announcements affecting mortgages and the Province's foreign buyer property transfer tax are designed to respond to an overheated housing market.

The Province has already announced measures to increase the supply of affordable rental housing, and encourage construction of new market housing valued up to \$750,000 through the Newly Built home exemption from property transfer tax. The BC HOME Partnership program is

## Confidential: Internal Use Only

designed to help first-time buyers realize their dream of homeownership and have the opportunity to raise their families and in homes they own.

### **14. Isn't the basic premise of this program contrary to the direction of the federal government's recent changes to mortgage applications aimed at tightening restrictions on obtaining mortgages?**

This program is complementary to recent federal changes to mortgage loan insurance. Those rules are designed to make sure homebuyers can afford their mortgage payments both today and in the future when they must renew their mortgage at a potentially higher interest rate. Under the BC HOME Partnership program, a first time home buyer must first qualify for an insured high-ratio mortgage under the new rules and can then receive assistance with their down payment.

The BC HOME Partnership program supports affordability because there are no monthly payments or interest charges for the first five years the buyer lives in the home.

### **15. Why is the program only available to people who have been Canadian citizens or permanent residents for at least five years, and lived in B.C. for at least one year?**

We heard British Columbia's first-time buyers when they told us they want their government to help them access the housing market, so they can build a secure and stable future for themselves and their families.

The Province has a number of programs aimed at making housing more affordable, and not every program is right for every person. Other programs helping home buyers and homeowners include the First Time Home Buyers program, the Newly Built Homes exemption, the home owner grant, and property tax deferment.

This year, we've committed to investing \$855 million to support the creation of 4,900 units of affordable rental housing. These units are specifically designated for low- to moderate-income renters, adults with developmental disabilities, youth aging out of care, seniors, students, women and children fleeing abuse, and First Nations.

### **16. Why is there a maximum household income of \$150,000?**

This partnership program is aimed at first-time buyers who are in a position to enter the market, but need a little help gathering the down payment required for a mortgage. The household income threshold helps ensure the program helps those who need it most. To raise a first insured mortgage on a property priced at \$750,000, buyers need an income of at least \$150,000.

### **17. Why is the maximum purchase price set at \$750,000?**

This partnership program is designed to help first-time buyers across the province, whether they live in Prince George or Surrey. Home prices can vary greatly in different regions across B.C., and we wanted to make sure the support that's available is enough to help a first-time buyer enter the market, regardless of which community they live in. To raise a first insured mortgage on a property priced at \$750,000, buyers need an income of at least \$150,000.

### **18. How will you ensure the program isn't used to help speculators?**

The partnership program is only available to first-time buyers and the home must be used as the buyer's principal residence for the first five years. Buyers will also need to pay a premium for mortgage insurance, discouraging short-term ownership. If the home is sold, the entire loan must be repaid immediately.

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## **19. What about condo presales?**

People who want to purchase a presale condo are encouraged to apply to the BC HOME Partnership program. They can confirm that they are eligible for the program and will qualify for down payment assistance when the time comes to complete the purchase of their new condo. For presales that occur long before the completion of the home, first time home buyers will need to reconfirm their eligibility every six months. All completions under the program must occur before the program's end date of March 31, 2020.

During the presale period, any payment of deposits will be the responsibility of the purchaser. Once the condo is complete and title has transferred, the Province will advance the partnership loan.

## **BC HOME Partnership program Funding Source**

### **20. How much money is being invested in this program?**

The Province estimates the program will cost a total of \$836 million over the next three years, with about \$703 million in partnership loans advanced to help about 42,000 households enter the market between Feb. 15, 2017, and March 31, 2020. The funding is expected to come from the new Housing Priority Initiatives Special Account created this year.

### **21. Where does the money for the Housing Priority Initiatives Special Account come from?**

The Special Account is mainly funded from Property Transfer Tax revenue. Government will transfer Property Transfer Tax revenue into the special account as necessary to fund housing initiatives.

### **22. How much money is currently in the Housing Priority Initiatives Special Account?**

This Special Account was established with an inaugural balance of \$75 million. An additional \$500 million of Property Transfer Tax revenue has been transferred this year to support BC Housing's investment in 2,900 units of affordable rental housing projects (as recently announced).

### **23. Is the \$500 million also going to fund the BC HOME Partnership program or is additional cash required?**

The \$500 million has been dedicated towards the Investment in Housing Innovation initiative announced earlier. Depending on the timing of actual cash flow needs for the program, additional transfer of Property Transfer Tax revenue will be set aside as needed to ensure that enough resources are available in the HPI Special Account for this program.

### **24. Is there an estimate as to how much the Housing Priority Initiatives Special Account is expected to grow annually, based on its current revenue streams?**

Funding doesn't automatically flow into the Special Account. Government will transfer appropriate amounts of Property Transfer Tax revenue as necessary to fund priority housing initiatives.

### **25. What if the Housing Priority Initiatives Special Account is depleted?**

The Special Account was started with an inaugural starting balance of \$75 million and government can transfer portions of Property Transfer Tax revenue as necessary to fund housing initiatives. It is highly unlikely that there will ever be no Property Transfer Tax revenue



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in the foreseeable future. As well, under the legislation the Special Account can also earn other forms of revenue from various housing-related activities.

### **26. Do you expect the Housing Priority Initiatives Special Account to continue funding these types of initiatives?**

The Special Account was established for that very purpose.

### **27. What do you expect the fiscal impact to the Province of the partnership program to be over the next three years?**

We expect that the new partnership program will result in two basic effects on the government's finances:

1. Overall spending will increase \$133 million (from Jan. 16, 2017 until March 31, 2020). Costs include grant expenses to reflect the interest-free component of the program loans, plus a modest amount of administration costs.
2. About \$703 million will be disbursed as direct advances in support of homebuyer mortgage down payments. While BC Housing will be holding 2<sup>nd</sup> mortgage loans, this means that less surplus cash resources will be available each year to reduce taxpayer-supported debt as long as the loans remain outstanding.

## **Partnership Loan/Financing**

### **28. How does the partnership loan work?**

The partnership loan will contribute to the cash down payment provided by the applicant, up to a maximum of 5% of the purchase price (the maximum purchase price is \$750,000 and thus the maximum partnership loan is \$37,500). Eligible first-time buyers must have saved a down payment amount at least equal to the loan amount for which they applied. The combined cash down payment and partnership loan must meet the minimum down payment requirements to qualify for an insured residential first mortgage for the home and be equal to or less than 20% of the purchase price.

Repayment details:

- Year 0-5 – payment and interest free
- Year 6-25 – monthly repayments at market interest rate

### **29. What is the interest on the loan?**

The partnership loan is payment- and interest-free for the first five years, and then for year 6-25 of the mortgage, market interest rates apply. The interest rate will be the Royal Bank of Canada prime rate plus 0.5% (RBC prime rate is currently 2.7% and thus the interest rate would be 3.2% at present).

### **30. Are these loans from BC Housing registered on title as a second mortgage?**

Yes

### **31. Does the initial mortgage term need to be a five-year term or can an applicant choose a different term (e.g. a 3-year term)?**

The homebuyer can choose the term for their first mortgage. The partnership mortgage will have a 25-year term. The loan is interest-free and payment-free for the first five years. Interest and payments are required in years 6-25. The interest rate will be reset every five years at year 10, 15 and 20 at the Royal Bank of Canada prime rate plus 0.5% (RBC prime rate is currently 2.7% and thus the interest rate on the partnership loan would be 3.2% at present).

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**32. Is BC Housing still involved if an applicant pays the partnership loan in full, before or at the end of the initial five year term?**

No. The mortgage will be discharged once the partnership loan is repaid in full.

**33. How are the legal costs involved in the loan managed?**

A legal services fee will be added to the total partnership loan amount, and will be disclosed to the applicants at the time of loan approval. The homebuyer is also responsible for any additional fees charged by their own lawyer/notary for their role in the partnership process.

**34. Does the cash down payment need to come from the applicants, or can it be gifted from parents, for example?**

The partnership program will contribute to the down payment accepted by the first mortgage lender. Talk to your mortgage broker about lenders' rules regarding the source of funds used for a down payment.

**35. What happens if a homeowner defaults on a loan and declares bankruptcy?**

Given that buyers will need to qualify for an insured first mortgage, which involves an assessment of their household income, existing debt, and ability to pay their mortgage, we expect defaults to be extremely rare. However, in the event of a homeowner defaulting on the loan, either lender can initiate foreclosure proceedings. The first mortgage is paid out first, followed by the partnership loan, which is registered as a second mortgage.

**36. Were financial institutions consulted on this program?**

Yes. BC Housing has consulted with CMHC and financial institutions. The program is compliant with all federal rules related to mortgage eligibility.

**37. Is there a penalty for paying the loan off before the end of the 10 years?**

Partnership loans can be repaid at any time without penalty and extra payments on principal can also be made at any time without penalty.

**38. Does the loan have to be repaid if the buyer refinances after five years with an uninsured first mortgage?**

Homeowners can renew their insured first mortgage as required at the end of each term. However, the new mortgage loan insurance rules do not allow the homeowner to increase the amount of their first mortgage or to lengthen the amortization period. BC Housing will not permit any further encumbrance of the property before the HOME Partnership Loan is repaid.

**39. Is the interest-free loan considered a taxable benefit for income tax purposes?**

Buyers should consult their tax advisors or the Canada Revenue Agency.

### **Eligibility Requirements**

**40. What criteria must home buyers meet to qualify for partnership assistance?**

To qualify for a partnership loan, all individuals who will have a registered interest on the title of the home must be included on the application and meet all of the following eligibility requirements:

- Have been a Canadian citizen or permanent resident for at least five years.



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- Have resided in British Columbia for at least one year immediately preceding the date of application under the program.
- Be a first-time home buyer who has not owned an interest in a residence anywhere in the world at any time (and has never received a first-time homebuyers' exemption or refund).
- The home being purchased will only be used as their principal residence for the first 5 years. (Principal Residence is defined as the home that is designated (and is eligible to be designated) as the owner's principal residence for tax purposes, and where all persons registered on title live permanently in a self-contained unit with access to all living facilities at all times to conduct their daily activities (such as: cooking, sleeping, and bathroom).
- Purchase a home that is \$750,000 or less.
- The combined, gross household income of all individuals on title must not exceed \$150,000.
- Show proof of pre-approval for an insured high-ratio first mortgage (mortgage down payment is less than 20% of the home price).

### **41. Is proof of Canadian citizenship and/or permanent resident status required?**

Yes, passports, birth certificates and permanent residency cards are acceptable documentation.

### **42. How will the principal residence requirement be monitored?**

Partnership loan recipients may be required to provide an annual declaration and proof of continued principal residency.

Principal Residence is defined as the home that is designated (and is eligible to be designated) as the owner's principal residence for tax purposes, and where all persons registered on title live permanently in a self-contained unit with access to all living facilities at all times to conduct their daily activities (such as: cooking, sleeping, and bathroom).

### **43. What steps would you take if someone is found have lied on their application, or breaks the rules after buying the home?**

If any information provided by the loan recipient is proven to be false, that would constitute a default under their mortgage and the loan would become due and payable.

### **44. Does the gross household income limit of all individuals on title include rental income from a suite, if applicable?**

This program is for first time home owners. Someone with rental income from a property they already own is not eligible for the program. However, anyone who qualifies for the program and then decides to rent out part of the home they purchase through the program is allowed to do so, provided that the home remains to be their principal residence for the first five years.

### **45. Can loan recipients have tenants in their homes?**

The home buyer can rent out secondary suites or bedrooms as long as they also use the property as their principal residence in the first five years. If the home is not used as the home buyer's principal residence, immediate repayment of the loan is triggered.

### **46. What type of home is eligible to be purchased under the program?**

The following type of home is eligible:

- Legal, self-contained, mortgageable residence located in British Columbia.

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- The home must serve as the applicant's principal residence. Seasonal/recreational properties are not eligible.
- Purchase price must not exceed \$750,000.

### **Application Details**

#### **47. How do people apply?**

Applications will be accepted online via the BC Housing website (Link to application portal).

#### **48. Do prospective home buyers need to approach their financial institution/lender prior to applying for the loan through BC Housing?**

Yes. Applicants must obtain confirmation from a National Housing Act approved lender confirming they are pre-approved for an insured residential mortgage prior to submitting their application.

#### **49. How will home buyers who apply be selected?**

All completed applications will be assessed for eligibility.

#### **50. How will home buyers receiving partnership loan funding know what steps they need to take?**

After home buyers have applied online and been approved by BC Housing, they will be provided with a Home Buyer's Package containing:

- Confirmation of eligibility
- Detailed program information and buyer's checklist
- Information to provide to their lender, real estate agent and lawyer/notary

#### **51. How long will it take for BC Housing to review and approve applications?**

BC Housing's online application system will provide a decision on complete applications within five business days in most circumstances.

#### **52. When will the money be advanced?**

The partnership loan funds will be advanced at the closing date, when the first and second mortgages are registered and new title is established.

### **Housing Market Questions**

#### **53. What happens when the home buyer sells the property?**

If the home is sold before the partnership loan is repaid, the homeowner must repay the loan at the time of change in ownership.

#### **52. Is it true that millennials are moving away from Vancouver because of high housing prices?**

This is a myth. The BC Real Estate Association reports millennials are actually the most populous age group in the City of Vancouver today, and the rate of home ownership for younger households has increased significantly during the last two census periods. More info:

<http://www.bcrea.bc.ca/docs/economics-forecasts-and-presentations/myth-of-the-retreating-millennial.pdf>

#### **53. Are there any resale restrictions for the home buyer?**

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No. Any outstanding partnership loan amount must be repaid upon sale, and the mortgage will be discharged from title.

### **54. What happens when the home is sold – both within five years of purchase, and after?**

If the home is sold before five years (or residence is no longer the owner's principal residence), only the mortgage principle is repayable in full.

If the home is sold after five years, then any remaining mortgage principle plus accumulated interest to that date is repayable.

### **55. What happens if house prices decline when a homeowner needs to sell?**

A sharp market correction that could reduce the value of homes beyond the equity buyers will have from their own down payment contribution is unlikely in the current economic environment. However, the partnership loan must be repaid regardless of house prices.

The CMHC's rules are designed to protect the housing market against the risk of a market correction and help ensure that people aren't taking on more debt than they can afford. The BC HOME Partnership program supports affordability because there are no monthly payments or interest charges for the first five years the buyer lives in the home. The homebuyer still needs to qualify for an insured first mortgage. This means their lender will have assessed their ability to carry the mortgage based on their household income, other debt and the home's purchase price.

### **56. What happens if there are significant increases to interest rates?**

If buyers remain in their homes for five years, there is no interest to be paid. After five years, partnership loans will be charged interest based on prevailing market rates, with the homebuyer responsible for those costs.

Economists predict sudden significant increases to interest rates are unlikely, although gradual rate increases by the Bank of Canada are to be expected as the Canadian economy improves. The CMHC's rules are designed to protect the housing market against the risk of a market correction and ensure that people aren't taking on more debt than they can afford. The BC HOME Partnership program supports affordability because there are no monthly payments or interest charges for the first five years the buyer lives in the home. The homebuyer still needs to qualify for an insured first mortgage. This means their lender will have assessed their ability to carry the mortgage based on their household income, other debt and the home's purchase price.

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### 57. What is the average home price in cities throughout the province?

Average home prices vary in the different regions of the province. The \$750,000 threshold was chosen to help ensure that first-time buyers will be able to find a property regardless of where they live in the province.

Residential Area	MLS average price (dollars)			MLS Median price (dollars)		
	Single-family	Apartment	Townhome	Single-family	Apartment	Townhome
Abbotsford	\$ 677,809	\$ 358,994	\$ 218,076	\$ 614,500	\$ 363,800	\$ 194,700
Mission	\$ 537,500	\$ 315,000	\$ 208,000	\$ 580,918	\$ 314,414	\$ 242,417
Victoria	\$ 810,792	\$ 393,901	\$ 509,965	\$ 666,000	\$ 327,750	\$ 430,000
Nanaimo	\$ 502,056	\$ 306,922	\$ 271,309	\$ 427,500	\$ 299,089	\$ 237,500
Parksville	\$ 579,326	\$ 338,759	\$ 189,929	\$ 451,000	\$ 342,000	\$ 159,000
Cowichan Valley	\$ 457,130	\$ 282,483	\$ 178,644	\$ 400,500	\$ 297,950	\$ 148,000
Campbell River	\$ 386,700	\$ 273,137	\$ 150,761	\$ 345,000	\$ 263,000	\$ 141,500
Port Alberni	\$ 322,507	\$ 155,375	\$ 88,000	\$ 269,900	\$ 112,250	\$ 88,000
Fort St. John	\$ 409,657	n/a	\$ 312,400	\$ 360,000	n/a	\$ 312,400
Prince Rupert	\$ 256,821	n/a	\$ 89,250	\$ 271,000	n/a	\$ 89,500

Source: CREA

Note: Data is most recent available up to October 2016

MLS benchmark prices (November 2016) are as follows according to local real estate boards:

Community	Condo	Townhome	Single-family detached home
Greater Vancouver	\$512,100	\$667,100	\$1,511,100
Greater Victoria	\$371,300	\$501,300	\$620,100
South Okanagan*	\$200,595	\$288,275	\$432,449
Fraser Valley	\$258,600	\$424,300	\$860,800

#### Sources:

Greater Vancouver: <http://www.rebgv.org/monthly-reports?month=November&year=2016>

Greater Victoria: <http://www.vreb.org/pdf/VREBNewsReleaseFull.pdf>

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\*(Average price) South Okanagan:

[http://www.soreb.org/includes/South\\_Okanagan/stats/2016/NOV16/NOV16SO.pdf](http://www.soreb.org/includes/South_Okanagan/stats/2016/NOV16/NOV16SO.pdf)

Fraser Valley: <http://www.fvreb.bc.ca/statistics/Package201611.pdf>

According to the Canadian Real Estate Association, the average price of a home sold in October 2016 was:

- BC Northern: \$265,459 - <http://creastats.crea.ca/cari/>
- Kamloops and District: \$362,352 - <http://creastats.crea.ca/kaml/>
- Chilliwack and District: \$417,242 - <http://creastats.crea.ca/chil/>
- Kootenay: \$290,183 - <http://creastats.crea.ca/koot/>

### 58. What is the average household income in BC?

Here is an example of average household incomes in a sample of BC cities.

City	Average Household Income, 2010
Vancouver	\$80,460
Kelowna	\$74,975
Nanaimo	\$64,189
Surrey	\$82,789
Prince George	\$74,833

Source: National Household Survey 2011, Statistics Canada

Note: More recent data will be available in September 2017.

## Hirji, Keivan MNGD:EX

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**From:** Woolley, Paul GCPE:EX  
**Sent:** Wednesday, December 14, 2016 6:38 PM  
**To:** Hirji, Keivan MNGD:EX  
**Subject:** Fw: DRAFT Itinerary: December 15th, 2016: Surrey: Housing  
**Attachments:** Itinerary - BC Home Partnership 1.docx

Sent from my BlackBerry 10 smartphone on the TELUS network.

**From:** Woolley, Paul GCPE:EX <[Paul.Woolley@gov.bc.ca](mailto:Paul.Woolley@gov.bc.ca)>  
**Sent:** Wednesday, December 14, 2016 4:53 PM  
**To:** Diacu, Raz MNGD:EX; Hirji, Keivan MNGD:EX  
**Subject:** Fw: DRAFT Itinerary: December 15th, 2016: Surrey: Housing

Sent from my BlackBerry 10 smartphone on the TELUS network.

**From:** Dwivedi, Anish GCPE:EX <[Anish.Dwivedi@gov.bc.ca](mailto:Anish.Dwivedi@gov.bc.ca)>  
**Sent:** Wednesday, December 14, 2016 4:49 PM  
**To:** 'Rhonda Morris'; Susan Hancock  
**Cc:** Rob Viccars; Woolley, Paul GCPE:EX; Harbord, Darren GCPE:EX  
**Subject:** DRAFT Itinerary: December 15th, 2016: Surrey: Housing

Please find attached and embedded a draft itinerary for tomorrow housing announcement in Surrey. Event is outdoors and projected weather is -7. Please let me know if you have any questions, I will be on site.

### BC Home Partnership Announcement

Technical Briefing: Sales Centre, Harvest, Bose Farm, 16488 64<sup>th</sup> Avenue, Surrey  
Announcement: Construction entrance, Harvest

<b>Date:</b>	<b>Thursday, December 15, 2016</b>	<b>Arrival Time:</b>	<b>10:20 AM</b>
<b>Podium:</b>	<b>Yes</b>	<b>Dress:</b>	<b>Business - Announcement is outdoors, warm clothes and sturdy shoes please. -6 degrees weather expected</b>

**Event Summary:** Premier to announce new program to benefit first time homebuyers. Media and stakeholders will be invited to a technical briefing before the announcement.  
**Action/Visual:** Premier delivering remarks



**Venue Audience:** Financial and mortgage stakeholders  
**MLAs attending:** Hon. Amrik Virk  
 MLA Marvin Hunt  
**Additional VIP's:** Mayor Linder Hepner, Mayor of Surrey  
 Samantha Gale, CEO of the Mortgage Brokers Association of BC  
**Media Relations:** Stephen Smart  
 Mary Lo (Technical Briefing and support for event)  
**Event Coordinator:** Anish Dwivedi – 778-875-9129  
**Media Dial In:** 604-681-0260 or 1-877-353-9184  
 Participant Pass Code: 22353#  
 Moderator Pass Code: s.15 **(ONLY FOR AV COMPANY)**

Time	Event Itinerary
9:15 a.m.	Media and stakeholders arrive for Technical Briefing at the sales centre – <i>media only</i> .
9:30 a.m.	BC Housing CFO, Dan Maxwell welcomes media and starts PowerPoint presentation (20 minutes).
9:50 a.m.	Questions from media to be moderated by Paul Woolley. Two way dial in for technical briefing. <b>TECHNICAL BRIEFING DIAL IN NUMBER:</b> <ul style="list-style-type: none"> <li>▪ 604-681-0260 (Vancouver ) or 1-877-353-9182               <ul style="list-style-type: none"> <li>○ Participant Passcode: 92131#</li> <li>○ Speakers Passcode: s.15 <b>(FOR AV COMPANY ONLY)</b></li> </ul> </li> </ul>
10:15 a.m.	End of Technical Briefing, media and guests position to media avail location.
10:20 a.m.	Premier arrives and proceeds to s.15 for briefing. The following people will be in the briefing: <ol style="list-style-type: none"> <li>1) Premier</li> <li>2) MRC</li> <li>3) Samantha Gale, CEO of the Mortgage Brokers Association of BC</li> </ol>
10:25 a.m.	Premier and VIPS proceed to event area and Minister Coleman starts the program with opening remarks
10:30 a.m.	<b>Minister Rich Coleman</b> shares opening remarks and introduces Premier
10:32 a.m.	<b>Premier to deliver remarks</b> and at the end of her marks invites Samantha Gale to the podium
10:35 a.m.	<b>Samantha Gale</b> delivers remarks
10:37 a.m.	<b>Stephen Smart</b> via moderator mic opens up Q&A.
10:47 a.m.	Q&A concludes
10:50 a.m.	Premier departs

Regards  
Anish

Anish Dwivedi  
Director, Events Services  
Province of British Columbia  
Cell: 778-875-9129



## BC Home Partnership Announcement

Technical Briefing: Sales Centre, Harvest, Bose Farm, 16488 64<sup>th</sup> Avenue, Surrey

Announcement: Construction entrance, Harvest

**Date:** Thursday, December 15, 2016

**Arrival Time:** 10:20 AM

**Podium:** Yes

**Dress:** Business - Announcement is outdoors, warm clothes and sturdy shoes please. -6 degrees weather expected

**Event Summary:** Premier to announce new program to benefit first time homebuyers. Media and stakeholders will be invited to a technical briefing before the announcement.

**Action/Visual:** Premier delivering remarks

**Venue Audience:** Financial and mortgage stakeholders

**MLAs attending:** Hon. Amrik Virk

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**Additional VIP's:** Mayor Linder Hepner, Mayor of Surrey

Samantha Gale, CEO of the Mortgage Brokers Association of BC

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Mary Lo (Technical Briefing and support for event)

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Participant Pass Code: 22353#

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Anish Dwivedi, Director, Events Services

Phone Number: 778-875-9129

Last updated: 2017-01-03 12:33 PM

Page 1 of 2

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## Hirji, Keivan MNGD:EX

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**From:** Harbord, Darren GCPE:EX  
**Sent:** Wednesday, December 14, 2016 4:22 PM  
**To:** Diacu, Raz MNGD:EX; Hirji, Keivan MNGD:EX  
**Cc:** Woolley, Paul GCPE:EX; Ash, Christine GCPE:EX  
**Subject:** SN\_RColman\_BC HOME Partnership\_Dec\_14\_2016  
**Attachments:** SN\_RColman\_BC HOME Partnership\_Dec\_14\_2016.docx

**Importance:** High

Emcee notes for MRC attached.

**Speaking Notes**  
**for**  
**Honourable Rich Coleman**  
**Minister of Natural Gas Development,**  
**Minister Responsible for Housing and Deputy Premier**

**Announcement of Housing projects under the**  
**Provincial Investment in Affordable Housing**  
**and Innovative Housing Initiative**

**Thursday, December 15, 2016**  
**Minister Coleman arrive: 10:20 a.m.**  
**Announcement: 10:30 a.m.**

**Location: Harvest, Bose Farm,**  
**16488 64th Avenue, Surrey**

**EVENT:**

- Announcement of the B.C. Home Owner Mortgage and Equity Partnership program (B.C. HOME Partnership).
- Through the B.C. Home Owner Mortgage and Equity Partnership program, the Province is investing about \$703 million over the next three years to help an estimated 42,000 B.C. households enter the market for the first time.
- The B.C. HOME Partnership program contributes to the amount first-time homebuyers have already saved for their down payment, providing up to \$37,500, or 5% of the purchase price, with a 25-year loan that is interest-free and payment-free for the first five years.
- The event will include a technical briefing for media and stakeholders (30 minutes) and formal announcement of the new program.

**FUNDING DETAILS**

- Through the program, the Province is investing about \$703 million over the next three years to help an estimated 42,000 B.C. households enter the market for the first time.

**AUDIENCE:**

- The announcement will include representatives from the financial, real-estate and mortgage industry and media.

**SPEAKERS:**

- Premier Christy Clark
- Rich Coleman, Minister of Natural Gas Development and Minister Responsible for Housing (Emcee)
- Validator (TBC)

**ON SITE CONTACT:**

- BC Housing Communications: Susan Hancock s.17 (cell) and Rhonda Morris, s.17 (cell)

**Parking:** Parking has been reserved for Minister Coleman at the entrance of Harvest at Bose Farm.

## AGENDA

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<b>9:30 a.m.</b>	BC Housing CFO, Dan Maxwell welcomes media and starts PowerPoint presentation (20 minutes).
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<b>10:25 a.m.</b>	Premier and VIPS proceed to event area and Minister Coleman starts the program with opening remarks
<b>10:30 a.m.</b>	Minister Rich Coleman shares opening remarks and introduces Premier
<b>10:32 a.m.</b>	Premier to deliver remarks and at the end of her remarks invite <b>Validator</b> to the podium
<b>10:35 a.m.</b>	<b>Validator</b> delivers remarks
<b>10:37 a.m.</b>	Stephen Smart via moderator mic opens up Q&A.
<b>10:47 a.m.</b>	Q&A concludes
<b>10:50 a.m.</b>	Premier departs

## **10:30 a.m. Minister Rich Coleman**

### **Introduction:**

- Honoured to have the Premier join us today for an important announcement for British Columbians who are entering the housing market
- The Province's commitment to Housing Action is driven by six key principles, which includes the dream of home ownership
- But we all know the first step into the housing market can be the hardest step, so our government has a plan to help

- I'd like to now welcome Premier Clark to the podium to make an important announcement.

### **Speakers:**

**10:32 a.m. Premier Christy Clark**

**10:35 a.m. Validator (TBC)**

### **Close:**

**10:38 a.m. Minister Rich Coleman**

- Validator (TBC), we thank you for attending today and providing your support
- Thanks all for joining us here today

**– END –**



## Coleman, Rich MEM:EX

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**From:** Diacu, Raz MNGD:EX  
**Sent:** Wednesday, December 14, 2016 9:25 AM  
**To:** Coleman, Rich MEM:EX  
**Cc:** Hirji, Keivan MNGD:EX  
**Subject:** HOME news release/quote  
**Attachments:** NR\_HOME\_DRAFT8\_Dec13.docx; ATT00001.htm

Hi Minister,

I've attached the draft news release for the HOME Partnership announcement, and copied the quote below - please let us know if you'd like any changes made:

“The first step into the market can be the hardest step, so our government will partner with homebuyers to match the amount they’ve saved to help achieve the minimum downpayment” said Rich Coleman, Minister of Natural Gas Development and Responsible for Housing. “This partnership will help lower their monthly costs in the first five years, and help make home ownership more affordable. This partnership program is another important way we’re taking action on housing affordability.”

News release:

### **New program partners with first-time homebuyers as they enter the housing market**

VANCOUVER – If you’re entering the market to buy your first home, the B.C. government is launching a new program to partner with you on the down payment for your mortgage, B.C. Premier Christy Clark announced today.

[UNAPPROVED QUOTE] “We believe every British Columbian deserves a place to call home,” said Premier Christy Clark. “We’ve invested in affordable rental housing, we’ve invested in transitional and emergency housing, and now we’re partnering with first-time buyers to make the purchase of their first home more affordable.”

Saving for a mortgage down payment can be hard for first-time homebuyers. The B.C. Home Owner Mortgage and Equity Partnership program matches the amount first-time homebuyers have already saved for their down payment up to \$37,500, or 5% of the purchase price, with a 25-year loan that is interest-free and payment-free for the first five years. Through the program, the Province is investing about \$703 million over the next three years to help an estimated 42,000 B.C. households enter the market for the first time.

[UNAPPROVED QUOTE] “The first step into the market can be the hardest step, so our government will partner with homebuyers to match the amount they’ve saved to help achieve the minimum downpayment” said Rich Coleman, Minister of Natural Gas Development and Responsible for Housing. “This partnership will help

lower their monthly costs in the first five years, and help make home ownership more affordable. This partnership program is another important way we're taking action on housing affordability.”

The partnership program will provide a matching down payment loan up to \$37,500 or 5% of the home's purchase price, to a maximum purchase price of \$750,000. During the first five years, there are no monthly interest or principal payments required, as long as the home remains the homebuyer's principal residence. After the first five years, homebuyers begin making monthly payments at current interest rates. Homebuyers will repay the loan over the remaining 20 years, but may make extra payments or repay the loan in full at any time without penalty. The loan must be repaid in full when the home is sold or transfers to another owner.

To be eligible, buyers must be preapproved for an insured high-ratio first mortgage (mortgage down payment is less than 20% of the home price). On completion of the sale, program funds will be advanced and the loan will be registered as a second mortgage on the property's title.

Other programs are available to help first-time buyers save on property transfer tax. The First Time Home Buyers Program can save first-time buyers up to \$7,500 when purchasing a home valued up to \$475,000. Or, first-time buyers can access the Newly Built Homes Exemption, which can save buyers up to \$13,000 in property transfer tax when purchasing a newly constructed or subdivided home worth up to \$750,000.

The B.C. Home Owner Mortgage and Equity Partnership program will start accepting applications Jan. 16, 2017.

### **Key Facts:**

The Province's commitment to Housing Action is driven by six key principles:

- o Ensuring the dream of home ownership remains within the reach of the middle class
- o Increasing housing supply
- o Smart transit expansion
- o Supporting first-time home buyers
- o Ensuring Consumer Protection
- o Increasing rental supply
- The B.C. government has committed \$855 million over five years, including \$575 million this year, to support the construction or renovation of 4,900 units of affordable housing across the province.
- Since 2001, the B.C. government has invested \$4.9 billion to provide affordable housing for low income individuals, seniors and families.
- More than 104,000 B.C. households benefit from a diverse range of provincial housing programs and services.

### **Learn More:**

To learn more about the Province's actions on housing affordability, visit: <http://housingaffordability.gov.bc.ca/>

For additional details about the B.C. Home Owner Mortgage and Equity Partnership program, please visit:



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## NEWS RELEASE

For Immediate Release  
[release number]  
Dec.XX, 2016

Office of the Premier  
Ministry of Natural Gas Development and  
Responsible for Housing

### **New program partners with first-time homebuyers as they enter the housing market**

VANCOUVER – If you're entering the market to buy your first home, the B.C. government is launching a new program to partner with you on the down payment for your mortgage, B.C. Premier Christy Clark announced today.

[UNAPPROVED QUOTE] "We believe every British Columbian deserves a place to call home," said Premier Christy Clark. "We've invested in affordable rental housing, we've invested in transitional and emergency housing, and now we're partnering with first-time buyers to make the purchase of their first home more affordable."

Saving for a mortgage down payment can be hard for first-time homebuyers.

s.13

Through the program, the Province is investing about \$703 million over the next three years to help an estimated 42,000 B.C. households enter the market for the first time.

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### **Learn More:**

To learn more about the Province's actions on housing affordability, visit:

<http://housingaffordability.gov.bc.ca/>

For additional details about the B.C. Home Owner Mortgage and Equity Partnership program, please visit:

[www.bchousing.org](http://www.bchousing.org) (need a direct URL)

Calculator link?

[link to videos/graphics?]

### **Media Contact:**

TBD

Backgrounders follow.

# BACKGROUNDER 1

## B.C. Home Owner Mortgage and Equity Partnership program details

### Am I eligible for a partnership loan?

The program supports eligible first-time homebuyers who are approved for an insured high-ratio first mortgage. To qualify for the program, all individuals on title must:

- Have been a Canadian citizen or permanent resident for at least five years.
- Have resided in British Columbia for at least one year immediately preceeding the date of application.
- Be a first-time buyer who has not owned an interest in a residence anywhere in the world at any time.
- Use the property as their principal residence for the first five years.
- Purchase a home that has a purchase price of \$750,000 or less (excluding taxes and fees).
- Obtain a high-ratio insured first mortgage on the property for at least 80% of the purchase price.
- Have a combined, gross household income of all individuals on title not exceeding \$150,000.
- Have saved a matching down payment amount at least equal to the loan amount for which the buyer applied.

### What do I do and how do I apply?

**Step 1:** Get preapproval for an insured first mortgage from your financial lending institution.

**Step 2:** Apply to BC Housing for the B.C. Home Owner Mortgage and Equity Partnership program loan. If you are eligible, you will receive confirmation of eligibility and Homebuyer's Kit which includes information for your Lender, Real Estate Agent, and Lawyer/Notary Public.

**Step 3:** Find your home and provide the details of your planned purchase to BC Housing for approval.

Applications for the program will be accepted starting Jan. 16, 2017, for purchases that will close on or after Feb. 15, 2017.

### What information will I need to apply?

Buyers can begin gathering the documents they'll need to submit an online application. Buyers will need:

1. Proof of status in Canada and residency in British Columbia.
2. Secondary identification (must include your photo).
3. Proof of income and tax filings.
4. Insured first mortgage pre-approval.

More information about these requirements: [www.bchousing.org](http://www.bchousing.org) **NEED A DIRECT LINK**

## BACKGROUNDER 2

### **Support for first-time buyers using the B.C. Home Owner Mortgage and Equity Partnership program**

#### **Example #1: Home purchase price – \$480,000**

This first-time buyer has saved \$12,000 towards their down payment, or 2.5% of the home's purchase price. Through the program, the Province will contribute \$12,000, matching the buyer's 2.5% down payment. This brings the total down payment to \$24,000 or 5% of the home's purchase price, as required by Canada Mortgage and Housing Corporation.

The B.C. HOME Partnership program enabled this buyer to purchase their first home as this buyer did not have the minimum down payment saved to qualify for an insured first mortgage.

#### **Example #2: Home purchase price – \$600,000**

This first-time buyer has saved 5% of the home's purchase price towards their down payment, or \$30,000. Canada Mortgage and Housing Corporation requires a 5% down payment for the first \$500,000, and 10% for the remaining portion. This means the minimum down payment required for a home valued at \$600,000 is \$35,000.

The B.C. HOME Partnership program will match this buyer's contribution of \$30,000, bringing their total down payment to \$60,000, and enabling this buyer to purchase their first home as they had not yet saved the minimum down payment required to qualify for a insured first mortgage.

#### **Example #3: Home purchase price – \$750,000**

The first-time buyer in this example has saved 7% of the home's purchase price as a down payment, or \$52,500.

Canada Mortgage and Housing Corporation requires a 5% down payment for the first \$500,000, and 10% for the remaining portion. This means the minimum down payment required for a home valued at \$750,000 is \$50,000.

The Province will match the buyer's contribution up to 5% of the home's purchase price. In this example, the program will contribute \$37,500 towards the down payment, allowing this buyer to put a total of \$90,000 towards the down payment of their first home.

Assuming a 3% APR, this buyer will save \$5,201 in interest payments during the first five years of their mortgage compared to if the buyer had purchased the home without the program.

**Coleman, Rich MEM:EX**

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**From:** Coleman, Rich MEM:EX  
**Sent:** Thursday, December 15, 2016 5:10 PM  
**To:** Menzies, Brian FIN:EX  
**Subject:** Re: BCREA Applauds the New BC HOME Partnership Program

Went well. Nice to see how when we all work together good things happen. Amazing to me how uninformed the critics are. The nuance they don't get is how good it is for first to me buyers who for the most part are in rental properties. When they move into the market the rental market gets more product as the vacate to move into their own homes. This is a win - win. Thanks for all your help. Rich

Sent from my BlackBerry 10 smartphone on the TELUS network.

---

**From:** Menzies, Brian FIN:EX  
**Sent:** Thursday, December 15, 2016 4:48 PM  
**To:** Coleman, Rich MEM:EX; Cadario, Michele PREM:EX; Chin, Ben PREM:EX  
**Subject:** Fwd: BCREA Applauds the New BC HOME Partnership Program

Well done!

Brian Menzies, MA  
Chief of Staff to  
The Honourable Michael de Jong  
Minister of Finance & House Leader  
Government of British Columbia  
Canada  
Cell 250-882-0679

Begin forwarded message:

**From:** "BCREA" <[bcrea@bcrea.bc.ca](mailto:bcrea@bcrea.bc.ca)>  
**Date:** December 15, 2016 at 4:43:47 PM PST  
**To:** Brian Menzies <[brian.menzies@gov.bc.ca](mailto:brian.menzies@gov.bc.ca)>  
**Subject:** BCREA Applauds the New BC HOME Partnership Program

For the complete news release, click [here](#).

**For immediate release**

**BCREA Applauds the New BC HOME Partnership Program**

**Vancouver, BC – December 15, 2016.** REALTORS® and the British Columbia Real Estate Association (BCREA) welcome the announcement by Premier Clark and Minister Coleman of the new BC Home Owner Mortgage and Equity Partnership program.

“The introduction of this program will address the affordability gaps that, as a REALTOR®, I hear about every day,” says BCREA President Deanna Horn. “We thank Premier Clark



and Minister Coleman for introducing this valuable program to assist first time home buyers in entering the marketplace.“

The province has taken steps to address housing affordability by investing in affordable rental housing and transitional and emergency housing. The BC HOME Partnership will address the impact on the first-time homebuyer with matching dollars and an extended period of time to begin paying back the down payment loan. Many first-time homebuyers struggle to achieve the down payment required to enter the housing market, and BCREA believes this program will help them overcome that barrier.

In fact, enabling home ownership benefits the entire BC economy. A 2015 study by Altus Group Economic Consulting found that the average housing transaction on the Multiple Listing Service® generates approximately \$63,000 in additional expenditures.

BCREA believes additional opportunities exist to help existing homeowners, particularly those looking to buy their second or third homes to accommodate families or significant life changes. Doing so will help to ensure balance in the continuum of housing affordability.

For more information on the program: <https://news.gov.bc.ca/releases/2016PREM0153-002759>.

-30-

**For more information, please contact:**

Damian Stathonikos  
Director of Communications and Public  
Affairs  
Direct: 604.742.2793  
Email: [dstathonikos@bcrea.bc.ca](mailto:dstathonikos@bcrea.bc.ca)

BCREA is the professional association for more than 20,000 REALTORS® in BC, focusing on provincial issues that impact real estate. Working with the province's 11 real estate boards, BCREA provides continuing professional education, advocacy, economic research and standard forms to help REALTORS® provide value for their clients.

To demonstrate the profession's commitment to improving Quality of Life in BC communities, BCREA supports policies that help ensure economic vitality, provide housing opportunities, preserve the environment, protect property owners and build better communities with good schools and safe neighbourhoods..

To subscribe to receive other BCREA publications such as this one, to unsubscribe, or to update your email address or current subscription list, click [here](#).

Share:   

## **Diacu, Raz MNGD:EX**

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**From:** Diacu, Raz MNGD:EX  
**Sent:** Thursday, December 15, 2016 11:12 AM  
**To:** Wizinsky, Jennifer LASS:EX  
**Subject:** attachments  
**Attachments:** Social\_Media\_How\_To\_Get\_Involved.pdf; BC HOME - Influencer list.docx;  
HOME\_SMOptions\_DRAFT\_v6.docx

# HOUSING ACTION

## BC HOME Partnership

### ELIGIBILITY CHECKLIST

- ☒ You are a Canadian citizen or a permanent resident for at least five years and have lived in BC for one year
- ☒ You are a first time home buyer
- ☒ You plan to purchase a home for \$750,000 or less
- ☒ You have at least half of the minimum down payment required to purchase your home
- ☒ Your total household income is \$150,000 or less
- ☒ Your new home will be your principal residence

### HOW TO APPLY?



For more information and how to apply, visit [gov.bc.ca/housingaction](http://gov.bc.ca/housingaction)

Conditions apply

# HOW TO GET INVOLVED

LIKE and FOLLOW the Government of British Columbia on Facebook and Twitter\*



facebook.com/BCProvincialGovernment



twitter.com/BCGovNews

- use **#BCFirst** in your tweets
- retweet @BCGovNews
- use regional hashtags to better target your audience

TARGET URL for content should be

<http://HousingAction.gov.bc.ca>

## PROGRAM OVERVIEW

- 🏠 Contributing repayable loans for up to 5% of the purchase price, maximum of \$37,500.
- 🏠 No interest, no payment for the first 5 years.
- 🏠 Three-year program - loans advanced from February 15, 2017, to March 31, 2020.
- 🏠 The Province is investing over \$700M in partnership loans over the next three years to help an estimated 42,000 first-time home buyers in B.C.

## KEY MESSAGES

- 🏠 B.C. is partnering with first-time homebuyers to add to the amount they have saved for their down payment
- 🏠 The program starts accepting applications January 16, 2017
- 🏠 The first five years are interest- and payment-free
- 🏠 After the first five years, homebuyers begin making monthly payments at current interest rates.

## KEY INFLUENCERS TO ENGAGE & FOLLOW ON SOCIAL CHANNELS

BC Housing  
Coast Capital  
The Real Estate Board of Greater Vancouver  
Mortgage Alliance  
(Mortgage broker active on social media)  
British Columbia Real Estate Association  
Generation Squeeze

(Active on social media advocating for youth issues incl affordable housing)

Canadian Homebuilders Association of BC  
Vancity  
Mortgage Broker Association of BC  
City of Vancouver

## NOTABLE REGIONAL HASHTAGS

#100MileHouse	#CranbrookBC	#Nanaimo	#CityofPG (#PrinceGeorge)	#VanCity
#Abbotsford	#DeltaBC	#NelsonBC	#RichmondBC	#VernonBC
#Burnaby	#DuncanBC	#NewWest	#Smithers	#VictoriaBC / #YYJ
#CampbellRiver	#Kamloops	#NorthVan	#Squamish	#WestVan
#Chilliwack	#Kelowna / #YLW	#Okanagan	#SurreyBC	#WestKelowna
#Comox	#LangleyBC	#PortAlberni	#TrailBC	#Whistler
#Coquitlam	#Comox	#PortHardy	#Vancouver / #YVR	
#Courtenay	#MapleRidge	#PowellRiver	#VancouverBC	

\*remember to stay involved online over the holidays as many people will be on social channels more regularly than normal with more time off



Purchase your new

**Top influencers whose audiences are affected by this announcement**

- BC Housing
- Coast Capital
- The Real Estate Board of Greater Vancouver
- Mortgage Alliance (Mortgage broker active on social media)
- British Columbia Real Estate Association
- Generation Squeeze (Active group on social media advocating for youth issues incl affordable housing)
- Canadian Homebuilders Association of BC
- Vancity
- Mortgage Broker Association of British Columbia
- City of Vancouver

**Full Influencer List**


<b><u>Influencer Category</u></b>	<b><u>Sub category</u></b>	<b><u>Influencer</u></b>	<b><u>Facebook</u></b>	<b><u>Twitter</u></b>
Govt Orgs	Local	City of Vancouver Vancouver Mayor's Office Mayor Gregor Robertson	<a href="#">Page</a>	<a href="#">@CityofVancouver</a> <a href="#">@VanMayorsOffice</a> <a href="#">@MayorGregor</a>
		Metro Vancouver	<a href="#">Page</a>	<a href="#">@MetroVancouver</a>
	Prov/Fed	CMHC – Corporate CMHC CEO Evan Siddall	<a href="#">Page</a>	<a href="#">@CMHC_ca</a> <a href="#">@ewsiddall</a>
		BC Housing	N/A	<a href="#">@BC_Housing</a>
Financial Institutions	Local	Coast Capital CEO Don Coulter	<a href="#">Page</a>	<a href="#">@Coast_Capital</a> <a href="#">@donaldcoulter</a>
		Vancity	<a href="#">Page</a>	<a href="#">@Vancity</a>
		Island Savings	<a href="#">Page</a>	<a href="#">@Island_Savings</a>
		Central 1 Credit Union	<a href="#">Page</a>	<a href="#">@Central1CU</a>
	National	RBC	<a href="#">Page</a>	<a href="#">@RBC_Canada</a>
		CIBC	<a href="#">Page</a>	<a href="#">@cibc</a>
		TD	<a href="#">Page</a>	<a href="#">@TD_Canada</a>
		Scotiabank	<a href="#">Page</a>	<a href="#">@scotiabank</a>
Real Estate Orgs	Local	The Real Estate Board of Greater Vancouver	<a href="#">Page</a>	<a href="#">@REBGV</a>
		Fraser Valley Real Estate Board	<a href="#">Page</a>	<a href="#">@FVREB</a>
		Vancouver Island Real Estate Board	<a href="#">Page</a>	<a href="#">@VIREB</a>
	Provincial	Real Estate Council of British Columbia	<a href="#">Page</a>	N/A
		Real Estate Institute of British Columbia	<a href="#">Page</a>	<a href="#">@THE_REIBC</a>
		British Columbia Real Estate Association	<a href="#">Page</a>	<a href="#">@bcrea</a>
	National	Canadian Real Estate Board	<a href="#">Page</a>	<a href="#">@CREA_ACI</a>

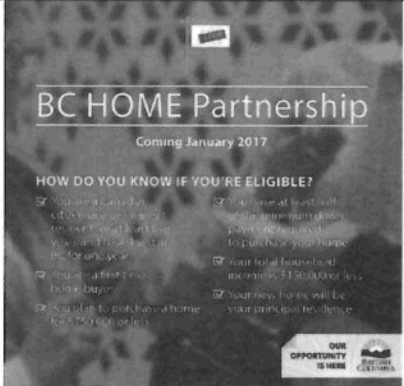

Legal Orgs (Notaries & Lawfirms)		Law Society of British Columbia	N/A	<a href="#">@LawSocietyofBC</a>
		Canadian Bar Association	<a href="#">Page</a>	<a href="#">@CBA News</a>
		the Society of Notaries Public of BC	<a href="#">Page</a>	<a href="#">@NotariesBC</a>
Lenders & Lending Orgs	Lenders	Mortgage Alliance	<a href="#">Page</a>	<a href="#">@MtgAlliance</a>
	Lending Orgs	Mortgage Broker Association of British Columbia	<a href="#">Page</a>	<a href="#">@mbabc</a>
		Mortgage Professionals Canada - Company CEO & President Paul Taylor	<a href="#">Page</a>	<a href="#">@MortgageProsCan</a> <a href="#">@MortgageProsCEO</a>
		Canadian Banking Association	N/A	<a href="#">@CdnBankers</a>
Local News Orgs	Traditional	GlobalBC	<a href="#">Page</a>	<a href="#">@GlobalBC</a>
		CTV Vancouver	<a href="#">Page</a>	<a href="#">@CTVvancouver</a>
		ChekNews	<a href="#">Page</a>	<a href="#">@CHEK News</a>
		Vancouver Sun	<a href="#">Page</a>	<a href="#">@VancouverSun</a>
		The Province	<a href="#">Page</a>	<a href="#">@theprovince</a>
		The Globe and Mail	<a href="#">Page</a>	<a href="#">@globeandmail</a>
		CBC Vancouver	<a href="#">Page</a>	<a href="#">@CBCVancouver</a>
	Local	Georgia Straight	<a href="#">Page</a>	<a href="#">@georgiaststraight</a>
		Huffington Post	<a href="#">Page</a>	<a href="#">@HuffPostCanada</a>
		Daily Hive Vancouver	<a href="#">Page</a>	<a href="#">@VancityBuzz</a>
		Vancouver Metro	<a href="#">Page</a>	<a href="#">@vancouvermetro</a>
Other		CKNW	<a href="#">Page</a>	<a href="#">@CKNW</a>
		Urban Development Institute	<a href="#">Page</a>	<a href="#">@udibc</a>
		Generation Squeeze	<a href="#">Page</a>	<a href="#">@GenSqueeze</a>
		Greater Vancouver Board of Trade	<a href="#">Page</a>	<a href="#">@BoardofTrade</a>
		Business Council BC	N/A	<a href="#">@BizCouncilBC</a>
		Canadian Homebuilders Association of BC	<a href="#">Page</a>	<a href="#">@CHBABC</a>
		Canadian Centre for Economic Analysis (CANCEA)	N/A	<a href="#">@CANCEA CA</a>
		Independent Contractors & Business Association of BC	<a href="#">Page</a>	<a href="#">@icbabc</a>
		BC Non-profit Housing Association	<a href="#">Page</a>	<a href="#">@BCNPHA</a>
		BC Chamber of Commerce	<a href="#">Page</a>	<a href="#">@bcchamberofcom</a>





## BC HOME OWNER MORTGAGE AND EQUITY PARTNERSHIP SOCIAL CONTENT CALENDAR




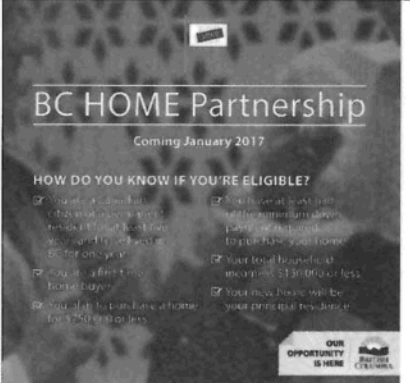
Suggested BC HOME Partnership Facebook/Twitter content:




Date	Twitter Copy	Facebook Copy	Creative (under development)
Thurs 15 <sup>th</sup> December	<p>NEW: Program helps first-time homebuyers enter the housing market, &lt;link to NR&gt; @BC_Housing #BCFirst</p> <p>#BC is partnering with first-time home buyers to make purchasing their first home more affordable, &lt;link to NR&gt; @BC_Housing #BCFirst</p> <p>VID: Starting January 2017 #BC is partnering with first-time home buyers, &lt;link to YouTube&gt; @BC_Housing #BCFirst</p> <p>PIX: The new #BC HOME Partnership program helps first-time buyers enter the housing market, &lt;link to Flickr&gt;</p>	<p>First-time homebuyers are getting a leg up into the housing market 🏠</p> <p>Coming January 2017 - the new BC HOME Partnership contributes to the amount first-time homebuyers have already saved for their down payment, making ownership more affordable – and accessible – to thousands of British Columbians. #BCFirst &lt;link&gt;</p>	
Fri 16 <sup>th</sup> December	<p>Every BCer deserves a place to call home &amp; the #BC HOME Partnership helps make that happen for first-time homebuyers, &lt;link to NR&gt;</p> <p>The #BC HOME Partnership is helping first-time buyers get into the market, &lt;link to NR&gt;</p> <p>Are you a first time home buyer? See the programs and services in place to help you purchase your first home, <a href="http://ow.ly/X7fv3078I2T">http://ow.ly/X7fv3078I2T</a> #BCFirst</p>	<p>Saving for a mortgage down payment can be hard for first-time homebuyers, but the new BC HOME Partnership program is here to help!</p> <p>By helping first-time home buyers' with their down payment, homeownership will be more affordable – and accessible – for thousands of British Columbians. &lt;link&gt;</p>	<p>Suggested visual: Event photo(s)</p>



<p>Sat 17<sup>th</sup> December</p>	<p>During the first five years of the #BC HOME Partnership there are no payments required, &lt;link to NR&gt; @BC_Housing #BCFirst</p> <p>#BC is taking bold action on housing. Learn more about the new BC HOME Partnership for first-time buyers, &lt;link to website&gt;</p> <p>The first step into the market is hard, see how #BC is making it easier for first-time home buyers, <a href="http://ow.ly/X7fv3078I2T">http://ow.ly/X7fv3078I2T</a> #BCFirst</p>	<p>Starting in January 2017, BC is partnering with first-time homebuyers.</p> <p>With the new BC HOME Partnership program, you could be eligible for a down payment loan of up to 5% of the purchase price of a home. #BCFirst &lt;link&gt;</p>	 <p>BC HOME Partnership Coming January 2017</p> <p>HOW DO YOU KNOW IF YOU'RE ELIGIBLE?</p> <ul style="list-style-type: none"> <li>✓ You are a Canadian citizen or permanent resident</li> <li>✓ You are at least 18 years old</li> <li>✓ You are not currently paying down payment on a home</li> <li>✓ Your total household income is \$120,000 or less</li> <li>✓ Your new home will be your principal residence</li> </ul> <p>OUR OPPORTUNITY IS HERE</p>
<p>Sun 18<sup>th</sup> December</p>	<p>#BC is partnering w/ first-time homebuyers who are looking for a secure &amp; stable future, &lt;link to NR&gt; @BC_Housing #BCFirst</p> <p>#BC is helping first-time home buyers enter the market, learn about the programs available, <a href="http://ow.ly/X7fv3078I2T">http://ow.ly/X7fv3078I2T</a> #BCFirst</p>	<p>DYK? BC is taking bold action on the housing market.</p> <p>This January the new BC HOME Partnership program will provide down payment loans to first-time homebuyers, making it easier for BC'ers to get into the housing market by making it more affordable. #BCFirst &lt;link&gt;</p>	<p>Suggested visual: Event photo(s)</p>
<p>Mon 19<sup>th</sup> December</p>	<p>#BC is taking bold action on housing. Learn more about the new BC HOME Partnership for first-time buyers, &lt;link to website&gt; #BCFirst</p> <p>Are you a first time home buyer? See the programs and services in place to help you purchase your first home, <a href="http://ow.ly/X7fv3078I2T">http://ow.ly/X7fv3078I2T</a> #BCFirst</p>	<p>Making home ownership a reality starts with making it more affordable for first-time homebuyers.</p> <p>Thanks to the new BC HOME Partnership program, thousands of British Columbians could be eligible for a down payment loan up to 5% of the purchase price. &lt;link&gt;</p>	 <p>BC HOME Partnership Coming January 2017</p> <p>HOW DO I APPLY?</p> <ol style="list-style-type: none"> <li>1. Get pre-qualified for a mortgage from a approved lender</li> <li>2. Apply and receive confirmation of eligibility for the BC HOME Partnership program</li> <li>3. Find your home and make an offer subject to financing</li> <li>4. Take your BC HOME Partnership loan commitment to your lender within 15 days</li> <li>5. Get final approval for an insured mortgage from your lender</li> <li>6. Purchase your new home and close on it</li> </ol> <p>OUR OPPORTUNITY IS HERE</p>



<p>Tues 20<sup>th</sup> December</p>	<p>#BC is taking action to partner w/ families to make their dream of homeownership come true, &lt;link to website&gt; #BCFirst</p> <p>The first step into the market is hard, see how #BC is making it easier for first-time home buyers, <a href="http://ow.ly/X7fv3078I2T">http://ow.ly/X7fv3078I2T</a> #BCFirst</p>	<p>The new BC HOME Partnership program is helping first-time homebuyers get into the housing market.</p> <p>Applications for down payment loans for up to 5% of the purchase price will be accepted starting January 16, 2017, for purchases closing on or after February 15, 2017. &lt;link&gt;</p>	 <p>BC HOME Partnership Coming January 2017</p> <p>HOW DO I APPLY?</p> <ol style="list-style-type: none"> <li>1. Get pre-approved for a mortgage from an approved lender</li> <li>2. Apply and receive confirmation of eligibility to receive BC HOME Partnership program</li> <li>3. Find your home and make an offer subject to financing</li> <li>4. Take your BC HOME Partnership loan commitment to your lender</li> <li>5. Get final approval for an insured mortgage from your lender</li> <li>6. Purchase your new home and move in!</li> </ol> <p>OUR OPPORTUNITY IS HERE BC HOME PARTNERSHIP</p>
<p>Wed 21<sup>st</sup> December</p>	<p>ICYMI: New program helps first-time homebuyers enter the housing market, &lt;link to NR&gt; @CdnBankers #BCFirst</p> <p>First-time home buyers now have more options to help them get their foot in the door, &lt;link to website&gt; @BC_Housing #BCFirst</p> <p>#BC is helping first-time home buyers enter the market, learn about the programs available, <a href="http://ow.ly/X7fv3078I2T">http://ow.ly/X7fv3078I2T</a> #BCFirst</p>	<p>Making the dream of homeownership a reality starts with making it more affordable.</p> <p>With the new BC HOME Partnership program, thousands of BC'ers will be able to apply for the new BC Home Partnership program, which will provide a down payment loan for up to 5% of the purchase price. #BCFirst &lt;link&gt;</p>	<p>Suggested visual: Event video</p>
<p>Thurs 22<sup>nd</sup> December</p>	<p>Whether you are renting, buying or renovating, #BC is partnering w/ you to keep housing affordable, <a href="http://ow.ly/X7fv3078I2T">http://ow.ly/X7fv3078I2T</a> #BCFirst</p> <p>The #BC HOME Partnership can help lower the monthly costs of home ownership in the first five years, &lt;link to NR&gt; @BC_Housing #BCFirst</p>	<p>For first-time homebuyers, affordability is everything.</p> <p>Thanks to the new BC HOME Partnership program, people like Sam and Natalie can get a down payment loan for up to 5% of the purchase price. Check your eligibility today! #BCFirst &lt;link&gt;</p>	 <p>BC HOME Partnership Coming January 2017</p> <p>HOW DO YOU KNOW IF YOU'RE ELIGIBLE?</p> <ul style="list-style-type: none"> <li>✓ You are a Canadian citizen or a permanent resident of BC at least five years and have lived in BC for one year</li> <li>✓ You are a full-time home buyer</li> <li>✓ You plan to purchase a home for \$170,000 or less</li> <li>✓ You have at least half of your down payment to purchase your home</li> <li>✓ Your total household income is \$150,000 or less</li> <li>✓ Your new home will be your principal residence</li> </ul> <p>OUR OPPORTUNITY IS HERE BC HOME PARTNERSHIP</p>

<p>Fri 23<sup>rd</sup> December</p>	<p>Looking to purchase your first home? Check out the new #BC HOME Partnership and learn how you can get help, &lt;link to website&gt;</p> <p>The first step into the market is hard, see how #BC is making it easier for first-time home buyers, <a href="http://ow.ly/X7fv3078I2T">http://ow.ly/X7fv3078I2T</a> #BCFirst</p>	<p>Attention first-time homebuyers: Do you know about the new BC HOME Partnership program?</p> <p>You could be eligible to apply for a down payment loan of up to 5% of the purchase price of a home. #BCFirst &lt;link&gt;</p>	
<p>Sat 24<sup>th</sup> December</p>	<p>Are you a first time home buyer? See the programs and services in place to help you purchase your first home, <a href="http://ow.ly/X7fv3078I2T">http://ow.ly/X7fv3078I2T</a> #BCFirst</p> <p>#BC is partnering with first-time home buyers to make purchasing their first home more affordable, &lt;link to NR&gt; @BC_Housing #BCFirst</p>	<p>Saving for a mortgage down payment can be hard for first-time homebuyers, but the new BC HOME Partnership program is here to help!</p> <p>By helping first-time home buyers' with their down payment, homeownership will be more affordable – and accessible – for thousands of British Columbians. &lt;link&gt;</p>	
<p>Sun 25<sup>th</sup> December</p>	<p>#BC introduces new partnership providing eligible homebuyers w/ a 25yr loan, interest free &amp; payment free for the first 5yrs, &lt;link to NR&gt; @BC_Housing #BCFirst</p> <p>The first step into the market is hard, see how #BC is making it easier for first-time home buyers, <a href="http://ow.ly/X7fv3078I2T">http://ow.ly/X7fv3078I2T</a> #BCFirst</p>	<p>Starting in January 2017, BC is partnering with first-time homebuyers.</p> <p>With the new BC HOME Partnership program, you could be eligible for a down payment loan of up to 5% of the purchase price of a home. #BCFirst &lt;link&gt;</p>	
<p>Mon 26<sup>th</sup> December</p>	<p>#BC is helping first-time home buyers enter the market, learn about the programs available, <a href="http://ow.ly/X7fv3078I2T">http://ow.ly/X7fv3078I2T</a> #BCFirst</p> <p>Buying a home? Take a look at #BC's new HOME Partnership, helping to make homeownership more affordable, &lt;link to NR&gt; @BC_Housing #BCFirst</p>	<p>DYK? BC is taking bold action on the housing market.</p> <p>This January the new BC HOME Partnership program will provide down payment loans to first-time homebuyers, making it easier for BC'ers to get into the housing market by making it more affordable. #BCFirst &lt;link&gt;</p>	

<p>Tues 27<sup>th</sup> December</p>	<p>#BC HOME Partnership is accepting applications Jan 16, 2017. Learn what you need to apply, &lt;link to NR&gt; @BC_Housing #BCFirst</p> <p>The first step into the market is hard, see how #BC is making it easier for first-time home buyers, <a href="http://ow.ly/X7fv3078I2T">http://ow.ly/X7fv3078I2T</a> #BCFirst</p>	<p>Making home ownership a reality starts with making it more affordable for first-time homebuyers.</p> <p>Thanks to the new BC HOME Partnership program, thousands of British Columbians could be eligible for a down payment loan up to 5% of the purchase price.</p> <p>&lt;link&gt;</p>	
<p>Wed 28<sup>th</sup> December</p>	<p>Are you eligible for a program helping first-time home buyers purchase a home? Learn more, <a href="http://ow.ly/U24o3078IN3">http://ow.ly/U24o3078IN3</a> @BC_Housing #BCFirst</p> <p>Are you a first time home buyer? See the programs and services in place to help you purchase your first home, <a href="http://ow.ly/X7fv3078I2T">http://ow.ly/X7fv3078I2T</a> #BCFirst</p>	<p>The new BC HOME Partnership program is helping first-time homebuyers get into the housing market.</p> <p>Applications for down payment loans for up to 5% of the purchase price will be accepted starting January 16, 2017, for purchases closing on or after February 15, 2017. &lt;link&gt;</p>	
<p>Thur 29<sup>th</sup> December</p>	<p>#BC is taking bold action on housing. Learn more about the new BC HOME Partnership for first-time buyers, <a href="http://ow.ly/U24o3078IN3">http://ow.ly/U24o3078IN3</a></p> <p>#BC Home Partnership contributes to what first-time homebuyers have already saved for their down payment, &lt;link to NR&gt; @BC_Housing #BCFirst</p>	<p>Making the dream of homeownership a reality starts with making it more affordable.</p> <p>With the new BC HOME Partnership program, thousands of BC'ers will be able to apply for the new BC Home Partnership program, which will provide a down payment loan for up to 5% of the purchase price. #BCFirst</p> <p>&lt;link&gt;</p>	

<p>Fri 30<sup>th</sup> December</p>	<p>#BC is partnering with first-time home buyers to make purchasing their first home more affordable, &lt;link to NR&gt; @BC_Housing #BCFirst</p> <p>#BC is ensuring the dream of home ownership remains within the reach of the middle class with the #BC HOME Partnership, &lt;link to NR&gt;</p>	<p>For first-time homebuyers, affordability is everything.</p> <p>Thanks to the new BC HOME Partnership program, people like Sam and Natalie can get a down payment loan for up to 5% of the purchase price. Check your eligibility today! #BCFirst &lt;link&gt;</p>	 <p><b>BC HOME Partnership</b> Coming January 2017</p> <p><b>HOW DO I APPLY?</b></p> <ol style="list-style-type: none"> <li>1. Get pre-approval from a lender or BC Home Partner Lender</li> <li>2. Apply and receive confirmation of eligibility for the BC HOME Partnership program</li> <li>3. Find your home and make an offer subject to financing</li> <li>4. Take your BC HOME Partnership loan commitment to your financial institution</li> <li>5. Get final approval for an insured mortgage from your lender</li> <li>6. Purchase your new home and move in!</li> </ol> <p>OUR OPPORTUNITY IS HERE BC HOME PARTNERSHIP</p>
<p>Sat 31<sup>st</sup> December</p>	<p>During the first 5 yrs of the #BC HOME Partnership there are no payments required, &lt;link to NR&gt; @BC_Housing #BCFirst</p> <p>#BC is taking bold action on housing. Learn more about the new BC HOME Partnership for first-time buyers, <a href="http://ow.ly/U24o3078IN3">http://ow.ly/U24o3078IN3</a></p>	<p>Attention first-time homebuyers: Do you know about the new BC HOME Partnership program?</p> <p>You could be eligible to apply for a down payment loan of up to 5% of the purchase price of a home. #BCFirst &lt;link&gt;</p>	 <p><b>BC HOME Partnership</b> Coming January 2017</p>

## Diacu, Raz MNGD:EX

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**From:** Diacu, Raz MNGD:EX  
**Sent:** Thursday, December 15, 2016 10:21 AM  
**To:** Wizinsky, Jennifer LASS:EX  
**Subject:** social media package  
**Attachments:** BC\_HOME\_DAY\_OF.PNG

**PREFACE/SUMMARY** of today's event – and the importance folks play in ensuring the 'housing action' message penetrates.

**TODAY:** Share or post with the graphic below (attached)



**MOVING FORWARD:** Share or post content from the package below. The 'How to get involved' PDF provides simple steps to stay engaged over the holidays.

**Attached and below re social media content:**

- How to get involved (Ministers / MLAs etc)
- Social influencer list
- Content Calendar
- Social assets: video animations / static / GIFs

**Social media assets:**

**Infographic**

[https://www.dropbox.com/s/8zv67mxgge938zw/GPE16-031\\_Housing%20Campaign\\_HOME\\_8.5x11\\_03.jpg?dl=0](https://www.dropbox.com/s/8zv67mxgge938zw/GPE16-031_Housing%20Campaign_HOME_8.5x11_03.jpg?dl=0)

**Animated Videos**

How to Apply, Eligibility, Scenario

[https://www.dropbox.com/sh/sem0to8qc2538uo/AAAXs\\_US1mCg4FEOHPN8Vrma?dl=0](https://www.dropbox.com/sh/sem0to8qc2538uo/AAAXs_US1mCg4FEOHPN8Vrma?dl=0)

**Short looping animations (GIFs)**

How to apply

<https://www.dropbox.com/sh/2vie0y4do4tbt1c/AABmGao5kkPeUXEQut9vsf1pa?dl=0>

Eligibility

<https://www.dropbox.com/sh/akzeggtwnwoz5s5a/AAAVOHXqKyQuLoTfah0wmfDha?dl=0>

Facebook Statics – Image-based:

<https://www.dropbox.com/sh/8df2qqh3s1ye5yl/AABDMaeTaour-ZEiRkrhzi9Da?dl=0>

Static copy-heavy social posts

<https://www.dropbox.com/sh/2jmrt dhvuqxjh6o/AAApMcV4FXZVfwFzr0msqTOOa?dl=0>

**Destination URLs:**

**Links**

Housing Action Website (BC HOME Partnership content to go live post announcement) -

<https://housingaction.gov.bc.ca/>

Housing Programs and Services - <https://housingaction.gov.bc.ca/categories/housing-action-programs-and-services/>

BC Housing BC HOME Partnership Program page - <https://homeownerservices.bchousing.org/>



# BC HOME Partnership

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COMING JANUARY 2017

- ✓ **PARTNERING WITH FIRST-TIME HOMEBUYERS**
- ✓ **HELP UP TO \$37,500, OR UP TO 5% OF THE PURCHASE PRICE.** \*CONDITIONS APPLY
- ✓ **HELP AN ESTIMATED 42,000 FAMILIES OVER THE NEXT 3 YEARS**



**Diacu, Raz MNGD:EX**

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**From:** Diacu, Raz MNGD:EX  
**Sent:** Thursday, December 15, 2016 10:16 AM  
**To:** Wizinsky, Jennifer LASS:EX  
**Subject:** NR  
**Attachments:** 2016PREM0153-002759.pdf  
  
**Importance:** High



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## NEWS RELEASE

For Immediate Release  
2016PREM0153-002759  
Dec. 15, 2016

Office of the Premier  
Ministry of Natural Gas Development  
and Responsible for Housing

### **New program partners with first-time homebuyers as they enter the housing market**

VANCOUVER – If you're entering the market to buy your first home, the B.C. government is launching a new program to partner with you on the down payment for your mortgage, B.C. Premier Christy Clark announced today.

"We believe every British Columbian deserves a place to call home," said Premier Christy Clark. "We've invested in affordable rental housing, we've invested in transitional and emergency housing, and now we're partnering with first-time buyers to make the purchase of their first home more affordable."

Saving for a mortgage down payment can be hard for first-time homebuyers. The B.C. Home Owner Mortgage and Equity Partnership program contributes to the amount first-time homebuyers have already saved for their down payment, providing up to \$37,500, or up to 5% of the purchase price, with a 25-year loan that is interest-free and payment-free for the first five years. Through the B.C. HOME Partnership program, the Province is investing about \$703 million over the next three years to help an estimated 42,000 B.C. households enter the market for the first time.

"The first step into the market can be the hardest step, so our government will partner with homebuyers to help them achieve their minimum down payment," said Rich Coleman, Minister of Natural Gas Development and Minister Responsible for Housing. "This partnership can help lower their monthly costs in the first five years, and help make home ownership more affordable. This partnership program is another important way we're taking action on housing affordability."

During the first five years, no monthly interest or principal payments are required as long as the home remains the homebuyer's principal residence. After the first five years, homebuyers begin making monthly payments at current interest rates. Homebuyers will repay the loan over the remaining 20 years, but may make extra payments or repay it in full at any time without penalty. The loan must be repaid in full when the home is sold or transferred to another owner.

To be eligible, buyers must be preapproved for an insured high-ratio first mortgage (mortgage down payment is less than 20% of the home price). On completion of the sale, program funds will be advanced and the loan will be registered as a second mortgage on the property's title.

Other programs are available to help first-time buyers save on property transfer tax. The First Time Home Buyers Program can save first-time buyers up to \$7,500 when purchasing a home valued up to \$475,000. Or, first-time buyers can access the Newly Built Homes Exemption, which can save buyers up to \$13,000 in property transfer tax when purchasing a newly

constructed or subdivided home worth up to \$750,000.

The B.C. Home Owner Mortgage and Equity Partnership program will start accepting applications Jan. 16, 2017.

**Key Facts:**

The Province's commitment to housing action is driven by six key principles:

- Ensuring the dream of home ownership remains within the reach of the middle class
  - Increasing housing supply
  - Smart transit expansion
  - Supporting first-time home buyers
  - Ensuring Consumer Protection
  - Increasing rental supply
- The B.C. government has committed \$855 million over five years, including \$575 million this year, to support the construction or renovation of 4,900 units of affordable housing throughout the province.
- Since 2001, the B.C. government has invested \$4.9 billion to provide affordable housing for low income individuals, seniors and families.
- More than 104,000 B.C. households benefit from a diverse range of provincial housing programs and services.

**Learn More:**

Learn how to apply: [https://news.gov.bc.ca/files/Housing\\_Campaign\\_HOME.pdf](https://news.gov.bc.ca/files/Housing_Campaign_HOME.pdf)

To learn more about the Province's actions on housing affordability, visit:  
<http://housingaction.gov.bc.ca/>

For additional details about the B.C. Home Owner Mortgage and Equity Partnership program, please visit: <https://homeownerservices.bchousing.org/>

B.C. Home Owner Mortgage and Equity Partnership program, BC Housing:

Phone: 604-439-4727

Toll Free Number: 1-844-365-4727

**Media Contacts:**

Stephen Smart  
Press Secretary  
Office of the Premier  
778 389-6202

Ally Skinner-Reynolds  
BC Housing  
604 456-8895  
604 209-4399

Darren Beaupre  
Ministry of Natural Gas Development  
and Responsible for Housing  
250 356-5892  
250 213-3334



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## BACKGROUNDER 1

For Immediate Release  
2016PREM0153-002759  
Dec. 15, 2016

Office of the Premier  
Ministry of Natural Gas Development  
and Responsible for Housing

### **B.C. Home Owner Mortgage and Equity Partnership program details**

#### **Am I eligible for a partnership loan?**

The program supports eligible first-time homebuyers who are approved for an insured high-ratio first mortgage. To qualify for the program, all individuals on title must:

- Have been a Canadian citizen or permanent resident for at least five years.
- Have resided in British Columbia for at least one year immediately preceding the date of application.
- Be a first-time buyer who has not owned an interest in a residence anywhere in the world at any time.
- Use the property as their principal residence for the first five years.
- Purchase a home that has a purchase price of \$750,000 or less (excluding taxes and fees).
- Obtain a high-ratio insured first mortgage on the property for at least 80% of the purchase price.
- Have a combined, gross household income of all individuals on title not exceeding \$150,000.
- Have saved a down payment amount at least equal to the loan amount for which the buyer applied.

#### **What do I do and how do I apply?**

**Step 1:** Get preapproval for an insured first mortgage from your financial lending institution.

**Step 2:** Apply to BC Housing for the B.C. Home Owner Mortgage and Equity Partnership program loan. If you are eligible, you will receive confirmation of eligibility and Homebuyer's Kit, which includes information for your lender, real estate licensee, and lawyer/notary public.

**Step 3:** Find your home and provide the details of your planned purchase to BC Housing for approval.

Applications for the program will be accepted starting Jan. 16, 2017, for purchases that will close on or after Feb. 15, 2017.

#### **What information will I need to apply?**

Buyers can begin gathering the documents they'll need to submit an online application. Buyers will need:

1. Proof of status in Canada and residency in British Columbia.

2. Secondary identification (must include your photo).
3. Proof of income and tax filings.
4. Insured first mortgage pre-approval.

More information about these requirements: <https://homeownerservices.bchousing.org/>

**Media Contacts:**

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Press Secretary  
Office of the Premier  
778 389-6202

Ally Skinner-Reynolds  
BC Housing  
604 456-8895  
604 209-4399

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250 356-5892  
250 213-3334

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Connect with the Province of B.C. at: [www.gov.bc.ca/connect](http://www.gov.bc.ca/connect)

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## BACKGROUND 2

For Immediate Release  
2016PREM0153-002759  
Dec. 15, 2016

Office of the Premier  
Ministry of Natural Gas Development  
and Responsible for Housing

### **Support for first-time buyers using the B.C. Home Owner Mortgage and Equity Partnership program**

#### **Example #1: Home purchase price – \$475,000**

This first-time buyer has saved \$11,875 towards their down payment, or 2.5% of the home's purchase price. Through the program, the Province will contribute \$11,875, equal to the buyer's 2.5% down payment. This brings the total down payment to \$23,750 or 5% of the home's purchase price, as required by Canada Mortgage and Housing Corporation. This loan is interest and payment-free for the first five years.

As a first-time buyer, this person can also qualify for the First Time Home Buyer's exemption for the Property Transfer Tax, saving: \$7,500.

The B.C. HOME Partnership program enabled this buyer to purchase their first home as this buyer did not have the minimum down payment saved to qualify for an insured first mortgage.

#### **Example #2: Home purchase price – \$600,000**

This first-time buyer has saved 5% of the home's purchase price towards their down payment, or \$30,000. Canada Mortgage and Housing Corporation requires a 5% down payment for the first \$500,000, and 10% for the remaining portion. This means the minimum down payment required for a home valued at \$600,000 is \$35,000. This loan is interest and payment-free for the first five years.

If this is a newly built home, the buyer can also qualify for the Newly Built Home Exemption for the Property Transfer Tax, saving: \$10,000.

The B.C. HOME Partnership program will meet this buyer's contribution of \$30,000, bringing their total down payment to \$60,000, and enabling this buyer to purchase their first home as they had not yet saved the minimum down payment required to qualify for a insured first mortgage.

#### **Example #3: Home purchase price – \$750,000**

The first-time buyer in this example has saved 7% of the home's purchase price as a down payment, or \$52,500.

Canada Mortgage and Housing Corporation requires a 5% down payment for the first \$500,000, and 10% for the remaining portion. This means the minimum down payment required for a home valued at \$750,000 is \$50,000.

The Province will meet the buyer's contribution up to 5% of the home's purchase price. In this

example, the program will contribute \$37,500 towards the down payment, allowing this buyer to put a total of \$90,000 towards the down payment of their first home.

Assuming a 3% interest rate, this buyer will save \$5,201 in interest payments during the first five years of their mortgage compared to if the buyer had purchased the home without the program.

In addition, if this is a newly built home, the buyer can also qualify for the Newly Built Home Exemption for the Property Transfer Tax, saving: \$13,000.

**Media Contacts:**

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Press Secretary  
Office of the Premier  
778 389-6202

Ally Skinner-Reynolds  
BC Housing  
604 456-8895  
604 209-4399

Darren Beaupre  
Ministry of Natural Gas Development  
and Responsible for Housing  
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250 213-3334

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Connect with the Province of B.C. at: [www.gov.bc.ca/connect](http://www.gov.bc.ca/connect)

**Diacu, Raz MNGD:EX**

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**From:** Diacu, Raz MNGD:EX  
**Sent:** Thursday, December 15, 2016 10:11 AM  
**To:** Wizinsky, Jennifer LASS:EX  
**Subject:** MLA package  
**Attachments:** HOME Partnership\_MLA Kit KM-QA\_13Dec16\_16.docx; GPE16-031\_Housing Campaign\_HOME\_8.5x11 (1).pdf



**MLA Kit – BC Home Owner Mortgage and Equity Partnership**  
**Dec. 13, 2016**

**Key Messages:**

- If you're entering the market to buy your first home, the B.C. government is launching a new program to partner with you on the down payment for your mortgage.
- Through the B.C. Home Owner Mortgage and Equity Partnership (B.C. HOME Partnership) program, the Province is investing about \$703 million over the next three years to help an estimated 42,000 B.C. households enter the market for the first time.
- The B.C. HOME Partnership program contributes to the amount first-time homebuyers have already saved for their down payment, providing up to \$37,500, or 5% of the purchase price, with a 25-year loan that is interest-free and payment-free for the first five years.
- Saving for a down payment can be hard for first-time buyers. As the first five years are interest- and payment-free, the program partners with first-time buyers to help them enter the housing market and help make homeownership more affordable.
- After the first five years, homebuyers begin making monthly payments at current interest rates.
- Ensuring the dream of home ownership remains within reach is a key part of our approach to housing affordability, along with increasing housing supply; smart transit expansion; supporting first-time home buyers; ensuring consumer protection; and increasing rental supply.

**Questions and Answers:**

**1. What is the B.C. HOME Partnership program?**

The B.C. Home Owner Mortgage and Equity Partnership (B.C. HOME Partnership) program partners with first-time homebuyers by contributing to the amount they've already saved for their down payment with a 25-year mortgage loan of up to 5% of the home's purchase price.

The loan is interest-free and payment for the first five years if the home remains the buyer's principal residence. The maximum loan amount of \$37,500 is based on a home purchase price of \$750,000. Through the program, the Province is providing about \$703 million in loans over the next three years (starting Feb. 15, 2017) to help an estimated 42,000 B.C. households enter the market for the first time.

**2. What are the B.C. HOME Partnership program's benefits?**

Saving for a mortgage down payment can be hard for first-time homebuyers. As the first five years are interest- and payment-free, the program partners with first-time buyers to help them enter the housing market and help make homeownership more affordable.

**3. When does this program begin?**

Applications will be accepted starting Jan. 16, 2017, for purchases that close on or after Feb. 15, 2017.

**4. How long will this program run?**

The program will run from Jan. 16, 2017 until March 31, 2020.

**5. Is the program available throughout the province?**

Yes, the B.C. HOME Partnership program will assist first-time British Columbia homebuyers province-wide. The \$750,000 threshold was chosen so that first-time buyers will be able to find a property, regardless of which region of the province they choose to buy and live in.

**6. How does the partnership loan work?**

The B.C. HOME Partnership program loan will contribute to the cash down payment provided by the applicant, up to a maximum of 5% of the purchase price (the maximum purchase price is \$750,000 and thus the maximum loan is \$37,500). Eligible first-time buyers must have saved a down payment amount at least equal to the loan amount for which they applied.

The combined cash down payment and partnership loan must meet the minimum down payment requirements to qualify for an insured residential first mortgage for the home and be equal to or less than 20% of the purchase price.

Repayment details:

- Year 0-5 – payment and interest free
- Year 6-25 – monthly repayments at market interest rate

**7. How does this program help potential homebuyers with affordability?**

This program is designed to partner with first-time homebuyers who can afford the costs of home ownership but are having trouble saving the required down payment. The program also helps first-time homebuyers during the first five years when the costs of home ownership are often the most challenging. In many areas of the province, the average home can cost \$400,000 or \$500,000. Saving the required minimum down payment of \$20,000 or \$25,000 can be difficult for many people.

**8. How else are you helping British Columbians with housing affordability?**

We heard British Columbia's first-time buyers when they told us they want their government to help them access the housing market, so they can build a secure and stable future for themselves and their families.

The Province has a number of programs aimed at making housing more affordable, and not every program is right for every person. Other programs helping home buyers and homeowners include the First Time Home Buyers program, the Newly Built Homes exemption, the home owner grant, and property tax deferment.

This year, we've committed to investing \$855 million to support the creation of 4,900 units of affordable rental housing. These units are specifically designated for low- to moderate-income renters, adults with developmental disabilities, youth aging out of care, seniors, students, women and children fleeing abuse, and First Nations.

**9. What criteria must home buyers meet to qualify for partnership assistance?**

To qualify for a partnership loan, all individuals who will have a registered interest on the title of the home must be included on the application and meet all of the following eligibility requirements:

- Have been a Canadian citizen or permanent resident for at least five years.
- Have resided in British Columbia for at least one year immediately preceding the date of their application.

- Be a first-time home buyer who has not owned an interest in a residence anywhere in the world at any time (and has never received a first-time homebuyers' exemption or refund).
- The home being purchased will only be used as their principal residence for the first 5 years. (Principal Residence is defined as the home that is designated (and is eligible to be designated) as the owner's principal residence for tax purposes, and where all persons registered on title live permanently in a self-contained unit with access to all living facilities at all times to conduct their daily activities (such as: cooking, sleeping, and bathroom).
- Purchase a home that is \$750,000 or less.
- The combined, gross household income of all individuals on title must not exceed \$150,000.
- Show proof of pre-approval for an insured high-ratio first mortgage (mortgage down payment is less than 20% of the home price).

#### 10. What is the average home price in cities throughout the province?

Average home prices vary in the different regions of the province. The \$750,000 threshold was chosen to help ensure that first-time buyers will be able to find a property regardless of where they live in the province.

MLS benchmark prices (November 2016) are as follows according to local real estate boards:

Community	Condo	Townhome	Single-family detached home
Greater Vancouver	\$512,100	\$667,100	\$1,511,100
Greater Victoria	\$371,300	\$501,300	\$620,100
South Okanagan*	\$200,595	\$288,275	\$432,449
Fraser Valley	\$258,600	\$424,300	\$860,800

#### Sources:

Greater Vancouver: <http://www.rebgv.org/monthly-reports?month=November&year=2016>

Greater Victoria: <http://www.vreb.org/pdf/VREBNewsReleaseFull.pdf>

\*(Average price) South Okanagan:

[http://www.soreb.org/includes/South Okanagan/stats/2016/NOV16/NOV16SO.pdf](http://www.soreb.org/includes/South%20Okanagan/stats/2016/NOV16/NOV16SO.pdf)

Fraser Valley: <http://www.fvreb.bc.ca/statistics/Package201611.pdf>

According to the Canadian Real Estate Association, the average price of a home sold in October 2016 was:

- BC Northern: \$265,459 - <http://creastats.crea.ca/cari/>
- Kamloops and District: \$362,352 - <http://creastats.crea.ca/kaml/>
- Chilliwack and District: \$417,242 - <http://creastats.crea.ca/chil/>
- Kootenay: \$290,183 - <http://creastats.crea.ca/koot/>

Residential Area	MLS average price (dollars)			MLS Median price (dollars)		
	Single-family	Apartment	Townhome	Single-family	Apartment	Townhome
Abbotsford	\$ 677,809	\$ 358,994	\$ 218,076	\$ 614,500	\$ 363,800	\$ 194,700
Mission	\$ 537,500	\$ 315,000	\$ 208,000	\$ 580,918	\$ 314,414	\$ 242,417
Victoria	\$ 810,792	\$ 393,901	\$ 509,965	\$ 666,000	\$ 327,750	\$ 430,000
Nanaimo	\$ 502,056	\$ 306,922	\$ 271,309	\$ 427,500	\$ 299,089	\$ 237,500
Parksville	\$ 579,326	\$ 338,759	\$ 189,929	\$ 451,000	\$ 342,000	\$ 159,000
Cowichan Valley	\$ 457,130	\$ 282,483	\$ 178,644	\$ 400,500	\$ 297,950	\$ 148,000
Campbell River	\$ 386,700	\$ 273,137	\$ 150,761	\$ 345,000	\$ 263,000	\$ 141,500
Port Alberni	\$ 322,507	\$ 155,375	\$ 88,000	\$ 269,900	\$ 112,250	\$ 88,000
Fort St. John	\$ 409,657	n/a	\$ 312,400	\$ 360,000	n/a	\$ 312,400
Prince Rupert	\$ 256,821	n/a	\$ 89,250	\$ 271,000	n/a	\$ 89,500

Source: CREA

Note: Data is most recent available up to October 2016

# HOUSING ACTION

## BC HOME PARTNERSHIP

### ELIGIBILITY CHECKLIST

- ☒ You are a Canadian citizen or a permanent resident for at least five years and have lived in BC for one year
- ☒ You are a first time home buyer
- ☒ You plan to purchase a home for \$750,000 or less
- ☒ You have at least half of the minimum downpayment required to purchase your home
- ☒ Your total household income is \$150,000 or less
- ☒ Your new home will be your principal residence

### HOW TO APPLY?



For more information and how to apply, visit [gov.bc.ca/housingaction](http://gov.bc.ca/housingaction)

Conditions apply

## **Diacu, Raz MNGD:EX**

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**From:** Diacu, Raz MNGD:EX  
**Sent:** Thursday, December 15, 2016 9:54 AM  
**To:** Barnettson, Luella MNGD:EX  
**Subject:** KMs  
**Attachments:** KM\_BC HOME Partnership\_Dec\_14\_2016\_DRAFT.docx

## **BC HOME OWNER MORTGAGE AND EQUITY PARTNERSHIP**

Topic: On Dec. 16, 2016, the B.C. government will announce a new BC Home Owner Mortgage and Equity Partnership (BC HOME Partnership) to provide additional help to first-time buyers with the purchase of their first home. BC Housing will administer the program.

- If you're entering the market to buy your first home, the B.C. government is launching a new program to partner with you on the down payment for your mortgage.
- Through the BC Home Owner Mortgage and Equity Partnership program, the Province is investing about \$703 million over the next three years to help an estimated 42,000 B.C. households enter the market for the first time.
- The program contributes to the amount first-time homebuyers have already saved for their down payment, providing up to \$37,500, or 5% of the purchase price, with a 25-year loan that is interest-free and payment-free for the first five years.
- Saving for a down payment can be hard for first-time buyers. As the first five years are interest- and payment-free, the program partners with first-time buyers to help them enter the housing market and help make homeownership more affordable.
- After the first five years, homebuyers begin making monthly payments at current interest rates.
- Ensuring the dream of home ownership remains within reach is a key part of our approach to housing affordability, along

with increasing housing supply; smart transit expansion; supporting first-time home buyers; ensuring consumer protection; and increasing rental supply.

Key Housing Accomplishments:

- The B.C. HOME Partnership builds on the other steps our government has taken to give all British Columbians access to housing.
- In September, we announced a \$500-million investment that includes the creation of 2,900 units of affordable rental housing for a wide variety of people in need.
- This builds on our investment of \$355 million to create 2,000 new rental units, announced in February, committing a total of \$855 million to nearly 5,000 units of housing across the province.
- Since 2001, we have invested \$4.9 billion to provide affordable housing for low income individuals, seniors and families.
- More than 104,000 B.C. households benefit from a diverse range of provincial housing programs and services.



Dec. 14, 2016

**Background:**

Under the BC Home Owner Mortgage and Equity Partnership (BC HOME Partnership) program, the Province will assist first-time homebuyers by contributing to the amount they have saved for their down payment, providing up to \$37,500, or 5% of the maximum purchase price of \$750,000, with a 25-year loan that is interest-free and payment-free for the first five years.

Through the program, the Province is investing about \$703 million over the next three years to help an estimated 42,000 B.C. households enter the market for the first time.

During the first five years, there are no monthly-interest or principal payments required, as long as the home remains the homebuyer's principal residence. After the first five years, homebuyers begin making monthly payments at current interest rates.

Applications will be received starting January 16, 2017.

**Eligibility Criteria:**

The BC Home Owner Mortgage and Equity Partnership supports eligible first-time homebuyers who are approved for an insured high-ratio first mortgage (mortgage down payment is less than 20% of the home price).

To qualify for the program, all individuals on title must:

- Have been a Canadian citizen or permanent resident for at least five years.
- Have resided in B.C. for at least one year immediately preceding the date of application.
- Be a first-time buyer who has not owned an interest in a residence anywhere in the world at any time.
- Use the property as their principal residence for the first five years.
- Purchase a home that has a purchase price of \$750,000 or less (excluding taxes and fees).
- Obtain a high-ratio insured first mortgage on the property for at least 80% of the purchase price.
- Have a combined, gross household income of all individuals on title not exceeding \$150,000.
- Have saved a matching down payment amount at least equal to the loan amount for which the buyer applied.

## **Diacu, Raz MNGD:EX**

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**From:** Diacu, Raz MNGD:EX  
**Sent:** Wednesday, December 14, 2016 8:59 PM  
**To:** Ozawa, Hide GCPE:EX  
**Subject:** Re: Social Media - BC HOME Partnership materials for tomorrow and ongoing

Ok - no worries

**Diacu, Raz MNGD:EX**

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**From:** Diacu, Raz MNGD:EX  
**Sent:** Wednesday, December 14, 2016 8:26 PM  
**To:** Ozawa, Hide GCPE:EX  
**Subject:** Re: Social Media - BC HOME Partnership materials for tomorrow and ongoing

Thanks Hide

**Diacu, Raz MNGD:EX**

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**From:** Diacu, Raz MNGD:EX  
**Sent:** Wednesday, December 14, 2016 4:41 PM  
**To:** Woolley, Paul GCPE:EX  
**Cc:** Hirji, Keivan MNGD:EX; Harbord, Darren GCPE:EX; Ash, Christine GCPE:EX; Platts, Robin GCPE:EX  
**Subject:** RE: DRAFT: New program partners with first-time homebuyers as they enter the housing market

Quote approved

## **Diacu, Raz MNGD:EX**

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**From:** Diacu, Raz MNGD:EX  
**Sent:** Wednesday, December 14, 2016 4:06 PM  
**To:** Haince, Micah LASS:EX  
**Subject:** FW: MA

December 15, 2016

Office of the Premier  
Ministry of Natural Gas Development & Responsible for Housing  
BC Housing

### **MEDIA ADVISORY**

VANCOUVER – Media are invited to join Premier Christy Clark and Rich Coleman, Minister Responsible for Housing for an important announcement about a new initiative to support first-time homebuyers.

### **TECHNICAL BRIEFING**(embargoed and not for attribution)

**Date:** Dec. 15, 2016

**Time:** 9:30 a.m.

**Location:**

Harvest at Bose Farms Sales Centre  
16488 64<sup>th</sup> Ave., Surrey (Cloverdale)

If media cannot attend in person, they may wish to participate by telephone. There will be a question and answer period, following the technical briefing.

**Dial-In Numbers:**

604-681-0260 Vancouver

1-877-353-9184 from Canada and USA

Participant Pass Code: **92131#**

### **EVENT:**

**Date:** Dec. 15, 2016

**Time:** 10:30 a.m.

**Location:**

Harvest at Bose Farms  
16488 64<sup>th</sup> Ave., Surrey (Cloverdale)

If media cannot attend in person, they may wish to participate by telephone (**listen-in option only**).

**Dial-In Numbers:**

604-681-0260 Vancouver

1-877-353-9184 from Canada and USA

Participant Pass Code: **22352#**



**Diacu, Raz MNGD:EX**

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**From:** Diacu, Raz MNGD:EX  
**Sent:** Wednesday, December 14, 2016 3:47 PM  
**To:** Hirji, Keivan MNGD:EX  
**Subject:** QA  
**Attachments:** QA\_HOPE\_Dec\_12\_2016\_DRAFT.docx; ATT00001.txt

I'll check with comms if any other updates also

## Confidential: Internal Use Only

### Home Ownership Partners in Equity (HOPE) Questions and Answers December 12, 2016

#### Program Overview and Design

**1. What is the Home Ownership Partners in Equity Program (HOPE)?**

The Home Ownership Partners in Equity Program (HOPE) matches the amount first-time homebuyers have already saved for their down payment with an interest-free, payment-free loan up to 5% of the home's purchase price for the first five years.

The maximum loan amount of \$37,500 is based on a home purchase price of \$750,000.

Through the program, the Province is providing about \$703 million in loans over the next three years to help an estimated 42,000 B.C. households enter the market for the first time.

**2. What are the Home Ownership Partners in Equity Program benefits?**

Saving for a mortgage down payment can be hard for first-time homebuyers. As the first five years are interest- and payment-free, the program helps make homeownership more affordable and helps first-time buyers enter the housing market.

**3. When does this program begin?**

Applications will be accepted starting Jan. 16, 2017, for purchases that close on or after Feb. 15, 2017.

**4. How long will this program run?**

The program will run from Jan. 16, 2017 until March 31, 2020.

**5. Is the program available throughout the province?**

Yes, HOPE will assist first-time British Columbia homebuyers province-wide. The \$750,000 threshold was chosen so that first-time buyers will be able to find a property, regardless of which region of the province they live in.

**6. How many home buyers are expected to be assisted through HOPE?**

Through the program, the Province <sup>s.13</sup> over the next three years to help about 42,000 B.C. households enter the market for the first time.

**7. How is this number of loans calculated?**

The estimated demand for the program was based on the number of first-time home buyers purchasing homes in B.C. using CMHC insured mortgages in recent years.

**8. Who manages the program?**

BC Housing will manage the program.

**9. Is there a limit to how many loans will be given each year?**

There is no limit to the number of loans approved in any given year.

**10. How does this program help potential homebuyers with affordability? It sounds like it's designed for people who already qualify for mortgages and doesn't help anyone get into the market.**



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This program is designed to help first time home buyers who can afford the costs of home ownership but are having trouble saving the required down payment. The program also helps first time home buyers during the first five years when the costs of home ownership are often the most challenging. In many areas of the province, the average home can cost \$400,000 or \$500,000. Saving the required minimum down payment of \$20,000 or \$25,000 can be challenging for many people.

s.13

### **42.11. Shouldn't the government focus on helping the homeless and people with lower incomes?**

Since 2001, we have invested \$4.9 billion to provide affordable housing for low income individuals, seniors and families. More than 104,000 B.C. households benefit from a diverse range of provincial housing programs and services.

The Province provides more than \$70 million to fund close to 2,000 permanent, year-round shelter beds in B.C., more than double the number of beds that were available in 2001.

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s.12 This year, we've committed \$855 million to support the creation of 4,900 units of affordable rental housing. These units are specifically designated for low- to moderate-income renters, adults with developmental disabilities, youth aging out of care, seniors, students, women and children fleeing abuse, and First Nations.

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BC Housing manages the Housing Registry, a membership-based database used to manage and prioritize applications for social housing. Many of the people with an application in the registry are already housed, but in housing that doesn't meet their current needs.

The registry is not a waitlist. When someone applies to the registry, they are offered housing based on need. When a unit becomes available, a number of variables are considered:

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- Women who have left a violent relationship receive priority placement.
- Health concerns may necessitate a specific type of unit to address the individual's needs.
- Stability of current accommodation – for example a family living in shared accommodations or a family of four in a cramped apartment.

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44-13. **Why are you announcing this program now,** s.13  
s.13

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No bullets or numbering

The recent federal announcements affecting mortgage loan insurance and the Province's foreign buyer property transfer tax are designed to respond to an overheated housing market. Both the federal and the provincial governments want a stable housing market that is affordable to ordinary Canadians. This announcement today is designed to ensure that first time buyers are able to realize their dream of homeownership and have the opportunity to raise their families and in homes they own.

45-14. **Isn't the basic premise of this program contrary to the direction of the federal government's recent changes to mortgage applications aimed at tightening restrictions on obtaining mortgages?**

This program is complementary to recent federal changes to mortgage loan insurance. Those rules are designed to make sure home buyers can afford their mortgage payments both today and in the future when they must renew their mortgage at a potentially higher interest rate. Under the Home Ownership Partners in Equity Program, a first time homebuyer must first qualify for an insured high ratio mortgage under the new rules and then can receive assistance with their down payment.

The program supports affordability because there are no monthly payments or interest charges for the first five years the buyer lives in the home.

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We heard British Columbia's first-time buyers when they told us they want their government to help them access the housing market, so they can build a secure and stable future for themselves and their families. s.13

s.13

The Province has a number of programs aimed at making housing more affordable, and not every program is right for every person. Other programs helping home buyers and homeowners include the First Time Home Buyers program, the Newly Built Homes exemption, the home owner grant, and property tax deferment.

So far this year, we've committed \$855 million to support the creation of 4,900 units of affordable rental housing. These units are specifically designated for low- to moderate-income renters, adults with developmental disabilities, youth aging out of care, seniors, students, women and children fleeing abuse, and First Nations.

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### **47.16. Why is there a maximum household income of \$150,000?**

This program is aimed at first-time buyers who are in a position to enter the market, but need a little help gathering the down payment required for a mortgage. The household income threshold helps ensure the program helps those who need it most. To afford a property priced at \$750,000, buyers need an income of at least \$150,000.

### **48.17. Why is the maximum purchase price set at \$750,000?**

This program is designed to help first-time buyers across the province, whether they live in Prince George or Surrey. Home prices can vary greatly in different regions across B.C., and we wanted to make sure the support that's available is enough to help a first-time buyer enter the market, regardless of which community they live in. To afford a property priced at \$750,000, buyers need an income of at least \$150,000.

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### **20.19. What about condo presales?**

People who want to purchase a presale condo are encouraged to apply to the Home Ownership Partners in Equity Program. They can confirm that they are eligible for the program and will qualify for down payment assistance when the time comes to complete the purchase of their new condo. For presales that occur long before the completion of the home, first time home buyers will need to reconfirm their eligibility every six months. All completions under the program must occur before the program's end date of March 31, 2020.

During the presale period, any payment of deposits will be the responsibility of the purchaser. Once the condo is complete and title has transferred, the Province will advance the down payment assistance loan.

## **Home Ownership Partners in Equity Program Funding Source**

### **24.20. How much money is being invested in this program?**

The Province estimates the program will cost a total of \$836 million over the next three years, with about \$703 million in loans advanced to help about 42,000 households enter the market. The funding is expected to come from the new Housing Priority Initiatives Special Account created this year.

### **22.21. Where does the money for the Housing Priority Initiatives Special Account come from?**

The Special Account is mainly funded from Property Transfer Tax revenue. Government will transfer Property Transfer Tax revenue into the special account as necessary to fund housing initiatives.

### **23.22. How much money is currently in the Housing Priority Initiatives Special Account?**

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This Special Account was established with an inaugural balance of \$75 million. An additional \$500 million of Property Transfer Tax revenue has been transferred this year to support BC Housing's investment in 2,900 units of affordable rental housing projects (as recently announced).

**24-23. Is the \$500 million also going to fund the Home Ownership Assistance Program or is additional cash required?**

The \$500 million has been dedicated towards the Investment in Housing Innovation initiative announced earlier. Depending on the timing of actual cash flow needs for the HOPE, additional transfer of Property Transfer Tax revenue will be set aside as needed to ensure that enough resources are available in the HPI Special Account for this program.

**25-24. Is there an estimate as to how much the Housing Priority Initiatives Special Account is expected to grow annually, based on its current revenue streams?**

Funding doesn't automatically flow into the Special Account. Government will transfer appropriate amounts of Property Transfer Tax revenue as necessary to fund priority housing initiatives.

**26-25. What if the Housing Priority Initiatives Special Account is depleted?**

The Special Account was started with an inaugural starting balance of \$75 million and government can transfer portions of Property Transfer Tax revenue as necessary to fund housing initiatives. It is highly unlikely that there will ever be no Property Transfer Tax revenue in the foreseeable future. As well, under the legislation the Special Account can also earn other forms of revenue from various housing-related activities.

**27-26. Do you expect the Housing Priority Initiatives Special Account to continue funding these types of initiatives?**

The Special Account was established for that very purpose.

**28-27. What do you expect the fiscal impact to the Province of the HOPE program to be over the next three years?**

We expect that the new HOPE program will result in two basic effects on the government's finances:

1. Overall spending will increase \$133 million (from Jan. 16, 2017 until March 31, 2020). Costs include grant expenses to reflect the interest-free component of the program loans, plus a modest amount of administration costs.
2. About \$703 million will be disbursed as direct advances in support of homebuyer mortgage down payments. While BC Housing will be holding 2<sup>nd</sup> mortgage loans under HOPE, this means that less surplus cash resources will be available each year to reduce taxpayer-supported debt as long as the loans remain outstanding.

### **HOPE Loan/Financing**

**29-28. How does the HOPE loan work?**

The HOPE loan will match the cash downpayment provided by the applicant, up to a maximum of 5% of the purchase price (the maximum purchase price is \$750,000 and thus the maximum HOPE loan is \$37,500). The combined cash down payment and HOPE loan must meet the minimum downpayment requirements to qualify for an insured residential mortgage for the home and be equal to or less than 20% of the purchase price.

Repayment details:

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- Year 0-5 – payment and interest free
- Year 6-25 – market interest rate

### **30-29. What is the interest on the loan?**

The loan is payment- and interest-free for the first five years, and then for year 6-25 of the mortgage, market interest rates apply. The interest rate will be the Royal Bank of Canada prime rate plus 0.5% (RBC prime rate is currently 2.7% and thus the HOPE interest rate would be 3.2% at present).

### **34-30. Are these loans from BC Housing registered on title as a second mortgage?**

Yes

### **32-31. Does the initial mortgage term need to be a five-year term or can an applicant choose a different term (e.g. a 3-year term)?**

The homebuyer can choose the term for their first mortgage. The HOPE mortgage will have a 25-year term. The loan is interest-free and payment-free for the first five years. Interest and payments are required in years 6-25. The interest rate will be reset every five years at year 10, 15 and 20 at the Royal Bank of Canada prime rate plus 0.5% (RBC prime rate is currently 2.7% and thus the HOPE interest rate would be 3.2% at present).

### **33-32. Is BC Housing still involved if an applicant pays the HOPE loan in full, before or at the end of the initial five year term?**

No. The mortgage will be discharged once the loan is repaid in full.

### **34-33. How are the legal costs involved in the loan managed?**

A legal services fee will be added to the total HOPE loan amount, and will be disclosed to the applicants at the time of loan approval. The homebuyer is also responsible for any additional fees charged by their own lawyer/notary for their role in the HOPE process.

### **35-34. Does the cash down payment need to come from the applicants, or can it be gifted from parents, for example?**

The HOPE program will match any downpayment that is accepted by the first mortgage lender. Talk to your mortgage broker about lenders' rules regarding the source of funds used for a down payment.

### **36-35. What happens if a homeowner defaults on a loan and declares bankruptcy?**

Given that buyers will need to qualify for an insured first mortgage, which involves an assessment of their household income, existing debt, and ability to pay their mortgage, we expect defaults to be extremely rare. However, in the event of a homeowner defaulting on the loan, either lender can initiate foreclosure proceedings. The first mortgage is paid out first, followed by the HOPE loan, which is registered as a second mortgage.

### **37-36. Were financial institutions consulted on this program?**

Yes. BC Housing has consulted with CMHC and financial institutions. The program is compliant with all federal rules related to mortgage eligibility.

### **38-37. Is there a penalty for paying the loan off before the end of the 10 years?**

HOPE loans can be repaid at any time without penalty and extra payments on principal can also be made at any time without penalty.

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**39.38. Does the loan have to be repaid if the buyer refinances after five years with an uninsured first mortgage?**

The loan does not need to be repaid if the buyer refinances their first mortgage

**40.39. Is the interest-free loan considered a taxable benefit for income tax purposes?**

Buyers should consult their tax advisors or the Canada Revenue Agency.

### **Eligibility Requirements**

**41.40. What criteria must homebuyers meet to qualify for assistance under HOPE?**

To qualify for HOPE, all individuals who will have a registered interest on the title of the home must be included on the application and meet all of the following eligibility requirements:

- Be a Canadian citizen or permanent resident that has resided in British Columbia for at least 5.13
- Be a first-time home buyer who has not owned an interest in a residence anywhere in the world at any time<sup>1</sup>.
- The home being purchased will only be used as their principal residence<sup>2</sup> for the first 5 years
- Purchase a home that is \$750,000 or less.
- The combined, gross household income of all individuals on title must not exceed \$150,000.

**42.41. Is proof of Canadian citizenship and/or permanent resident status required?**

Yes, passports, birth certificates and permanent residency cards are acceptable documentation.

**43.42. How will the principal residence requirement be monitored?**

HOPE loan recipients may be required to provide an annual declaration and proof of continued principal residency.

Principal Residence is defined as the home that is designated (and is eligible to be designated) as the owner's principal residence for tax purposes, and where all persons registered on title live permanently in a self-contained unit with access to all living facilities at all times to conduct their daily activities (such as: cooking, sleeping, and bathroom).

**44.43. Does the gross household income limit of all individuals on title include rental income from a suite, if applicable?**

No. Rental income from a suite is not included as part of the gross household income.

**45.44. Can loan recipients have tenants in their homes?**

<sup>1</sup> And has never received a first-time homebuyers' exemption or refund.

<sup>2</sup> Principal Residence is defined as the home that is designated (and is eligible to be designated) as the owner's principal residence for tax purposes, and where all persons registered on title live permanently in a self-contained unit with access to all living facilities at all times to conduct their daily activities (such as: cooking, sleeping, and bathroom).

## Confidential: Internal Use Only

The homebuyer can rent out secondary suites or bedrooms as long as they also use the property as their principal residence in the first five years. If the home is not used as the home buyer's principal residence, immediate repayment of the loan is triggered.

### **46.45. What type of home is eligible to be purchased under the program?**

The following type of home is eligible:

- Legal, self-contained, mortgageable residence located in British Columbia.
- The home must serve as the applicant's principal residence. Seasonal/recreational properties are not eligible.
- Purchase price must not exceed \$750,000.

## **Application Details**

### **47.46. How do people apply?**

Applications will be accepted online via the BC Housing website (Link to HOPE application portal).

### **48.47. Do prospective homebuyers need to approach their financial institution/lender prior to applying for the loan through BC Housing?**

Yes. Applicants must obtain confirmation from a National Housing Act approved lender confirming they are pre-approved for an insured residential mortgage prior to submitting their application.

### **49.48. How will homebuyers who apply be selected?**

All completed applications will be assessed for eligibility.

### **50.49. How will homebuyers receiving HOPE funding know what steps they need to take?**

After homebuyers have applied online and been approved by BC Housing, they will be provided with a homebuyer's package containing:

- Confirmation of eligibility
- Detailed program information and buyer's checklist
- Information to provide to their lender, real estate agent and lawyer/notary

### **51.50. How long will it take for BC Housing to review and approve applications?**

BC Housing's online application system will provide a decision on complete applications within 5 business days in most circumstances.

## **Housing Market Questions**

### **52.51. What happens when the home buyer sells the property?**

If the home is sold before the HOPE loan is repaid, the homeowner must repay the loan at the time of change in ownership.

### **52. Is it true that millennials are moving away from Vancouver because of high housing prices?**

This is a myth. The BC Real Estate Association reports millennials are actually the most populous age group in the City of Vancouver today, and the rate of home ownership for younger



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households has increased significantly during the last two census periods. More info:  
<http://www.bcrea.bc.ca/docs/economics-forecasts-and-presentations/myth-of-the-retreating-millennial.pdf>

### 53. Are there any resale restrictions for the homebuyer?

No. Any outstanding loan amount must be repaid upon sale, and the mortgage will be discharged from title.

### 54. What happens if house prices decline when a homeowner needs to sell?

A sharp market correction that would reduce the value of homes beyond the equity buyers will have from their own down payment contribution is unlikely in the current economic environment. However, the HOPE loan must be repaid regardless of house prices.

The CMHC's rules are designed to protect the housing market against the risk of a market correction and ensure that people aren't taking on more debt than they can afford. The Home Ownership Partners in Equity Program supports affordability because there are no monthly payments or interest charges for the first five years the buyer lives in the home. The homebuyer still needs to qualify for an insured first mortgage. This means their lender will have assessed their ability to carry the mortgage based on their household income, other debt and the home's purchase price.

### 55. What happens if there are significant increases to interest rates?

Economists predict sudden significant increases to interest rates are unlikely, although gradual rate increases by the Bank of Canada are to be expected as the Canadian economy improves. The CMHC's rules are designed to protect the housing market against the risk of a market correction and ensure that people aren't taking on more debt than they can afford. The Home Ownership Partners in Equity Program supports affordability because there are no monthly payments or interest charges for the first five years the buyer lives in the home. The homebuyer still needs to qualify for an insured first mortgage. This means their lender will have assessed their ability to carry the mortgage based on their household income, other debt and the home's purchase price.

### 56. What is the average home price in cities throughout the province?

Average home prices vary in the different regions of the province. The \$750,000 threshold was chosen to ensure that first-time buyers will be able to find a property regardless of where they live in the province.

MLS benchmark prices (November 2016) are as follows according to local real estate boards:

Community	Condo	Townhome	Single-family detached home
Greater Vancouver	\$512,100	\$667,100	\$1,511,100
Greater Victoria	\$371,300	\$501,300	\$620,100
South Okanagan*	\$200,595	\$288,275	\$432,449
Fraser Valley	\$258,600	\$424,300	\$860,800

#### Sources:

Greater Vancouver: <http://www.rebgv.org/monthly-reports?month=November&year=2016>

Greater Victoria: <http://www.vreb.org/pdf/VREBNewsReleaseFull.pdf>

\*(Average price) South Okanagan:

[http://www.soreb.org/includes/South\\_Okanagan/stats/2016/NOV16/NOV16SO.pdf](http://www.soreb.org/includes/South_Okanagan/stats/2016/NOV16/NOV16SO.pdf)

Fraser Valley: <http://www.fvreb.bc.ca/statistics/Package201611.pdf>



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According to the Canadian Real Estate Association, the average price of a home sold in October 2016 was:

- BC Northern: \$265,459 - <http://creastats.crea.ca/cari/>
- Kamloops and District: \$362,352 - <http://creastats.crea.ca/kaml/>
- Chilliwack and District: \$417,242 - <http://creastats.crea.ca/chil/>
- Kootenay: \$290,183 - <http://creastats.crea.ca/koot/>

### 57. What is the average household income in BC?

Here is an example of average household incomes in a sample of BC cities.

City	Average Household Income, 2010
Vancouver	\$80,460
Kelowna	\$74,975
Nanaimo	\$64,189
Surrey	\$82,789
Prince George	\$74,833

Source: National Household Survey 2011, Statistics Canada

Note: More recent data will be available in September 2017.

## **Diacu, Raz MNGD:EX**

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**From:** Diacu, Raz MNGD:EX  
**Sent:** Wednesday, December 14, 2016 3:34 PM  
**To:** Hirji, Keivan MNGD:EX  
**Subject:** FW: revised - NR\_HOME\_DRAFT8\_Dec14  
**Attachments:** NR\_HOME\_DRAFT8\_Dec14.docx

[UNAPPROVED QUOTE] "The first step into the market can be the hardest step, so our government will partner with homebuyers to help them achieve their minimum downpayment" said Rich Coleman, Minister of Natural Gas Development and responsible for Housing. "This partnership will help lower their monthly costs in the first five years, and help make home ownership more affordable. This partnership program is another important way we're taking action on housing affordability."

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## NEWS RELEASE

For Immediate Release  
[release number]  
Dec.XX, 2016

Office of the Premier  
Ministry of Natural Gas Development and  
Responsible for Housing

### **New program partners with first-time homebuyers as they enter the housing market**

VANCOUVER – If you're entering the market to buy your first home, the B.C. government is launching a new program to partner with you on the down payment for your mortgage, B.C. Premier Christy Clark announced today.

[UNAPPROVED QUOTE] "We believe every British Columbian deserves a place to call home," said Premier Christy Clark. "We've invested in affordable rental housing, we've invested in transitional and emergency housing, and now we're partnering with first-time buyers to make the purchase of their first home more affordable."

Saving for a mortgage down payment can be hard for first-time homebuyers.

s.13

Through the program, the Province is investing about \$703 million over the next three years to help an estimated 42,000 B.C. households enter the market for the first time.

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s.13

-During the first five years, there are no monthly interest or principal payments required, as long as the home remains the homebuyer's principal residence. After the first five years, homebuyers begin making monthly payments at current interest rates. Homebuyers will repay the loan over the remaining 20 years, but may make extra payments or repay the loan in full at any time without penalty. The loan must be repaid in full when the home is sold or transfers to another owner.

To be eligible, buyers must be preapproved for an insured high-ratio first mortgage (mortgage down payment is less than 20% of the home price). On completion of the sale, program funds will be advanced and the loan will be registered as a second mortgage on the property's title.

Other programs are available to help first-time buyers save on property transfer tax. The First Time Home Buyers Program can save first-time buyers up to \$7,500 when purchasing a home valued up to \$475,000. Or, first-time buyers can access the Newly Built Homes Exemption,

which can save buyers up to \$13,000 in property transfer tax when purchasing a newly constructed or subdivided home worth up to \$750,000.

The B.C. Home Owner Mortgage and Equity Partnership program will start accepting applications Jan. 16, 2017.

**Key Facts:**

The Province's commitment to Housing Action is driven by six key principles:

- Ensuring the dream of home ownership remains within the reach of the middle class
- Increasing housing supply
- Smart transit expansion
- Supporting first-time home buyers
- Ensuring Consumer Protection
- Increasing rental supply
- The B.C. government has committed \$855 million over five years, including \$575 million this year, to support the construction or renovation of 4,900 units of affordable housing across the province.
- Since 2001, the B.C. government has invested \$4.9 billion to provide affordable housing for low income individuals, seniors and families.
- More than 104,000 B.C. households benefit from a diverse range of provincial housing programs and services.

**Learn More:**

To learn more about the Province's actions on housing affordability, visit:

<http://housingaction.gov.bc.ca/>

For additional details about the B.C. Home Owner Mortgage and Equity Partnership program, please visit: <https://homeownerservices.bchousing.org/>

Backgrounders follow.

**Media Contacts:**

Stephen Smart  
Press Secretary  
Office of the Premier  
778 389-6202

Ally Skinner-Reynolds  
BC Housing

604 456-8895  
604 209-4399

Darren Beaupre  
Ministry of Natural Gas Development  
& Responsible for Housing  
250-356-5892  
250-213-3334

# BACKGROUND 1

## B.C. Home Owner Mortgage and Equity Partnership program details

### Am I eligible for a partnership loan?

The program supports eligible first-time homebuyers who are approved for an insured high-ratio first mortgage. To qualify for the program, all individuals on title must:

- Have been a Canadian citizen or permanent resident for at least five years.
- Have resided in British Columbia for at least one year immediately preceeding the date of application.
- Be a first-time buyer who has not owned an interest in a residence anywhere in the world at any time.
- Use the property as their principal residence for the first five years.
- Purchase a home that has a purchase price of \$750,000 or less (excluding taxes and fees).
- Obtain a high-ratio insured first mortgage on the property for at least 80% of the purchase price.
- Have a combined, gross household income of all individuals on title not exceeding \$150,000.
- Have saved a matching down payment amount at least equal to the loan amount for which the buyer applied.

### What do I do and how do I apply?

**Step 1:** Get preapproval for an insured first mortgage from your financial lending institution.

**Step 2:** Apply to BC Housing for the B.C. Home Owner Mortgage and Equity Partnership program loan. If you are eligible, you will receive confirmation of eligibility and Homebuyer's Kit which includes information for your Lender, Real Estate Agent, and Lawyer/Notary Public.

**Step 3:** Find your home and provide the details of your planned purchase to BC Housing for approval.

Applications for the program will be accepted starting Jan. 16, 2017, for purchases that will close on or after Feb. 15, 2017.

### What information will I need to apply?

Buyers can begin gathering the documents they'll need to submit an online application. Buyers will need:

1. Proof of status in Canada and residency in British Columbia.
2. Secondary identification (must include your photo).
3. Proof of income and tax filings.
4. Insured first mortgage pre-approval.

More information about these requirements: <https://homeownerservices.bchousing.org/>

## BACKGROUND 2

### Support for first-time buyers using the B.C. Home Owner Mortgage and Equity Partnership program

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1.

This loan is interest and payment-free for the first five years.

As a first-time buyer, this person can also qualify for the First Time Home buyer's Exemption for the Property Transfer Tax, saving: \$7,500.

The B.C. HOME Partnership program enabled this buyer to purchase their first home as this buyer did not have the minimum down payment saved to qualify for an insured first mortgage.

#### **Example #2: Home purchase price – \$600,000**

This first-time buyer has saved 5% of the home's purchase price towards their down payment, or \$30,000. Canada Mortgage and Housing Corporation requires a 5% down payment for the first \$500,000, and 10% for the remaining portion. This means the minimum down payment required for a home valued at \$600,000 is \$35,000. This loan is interest and payment-free for the first five years.

If this is a newly built home, the buyer can also qualify for the Newly Built Home Exemption for the Property Transfer Tax, saving: \$10,000.

The B.C. HOME Partnership program will match this buyer's contribution of \$30,000, bringing their total down payment to \$60,000, and enabling this buyer to purchase their first home as they had not yet saved the minimum down payment required to qualify for a insured first mortgage.

#### **Example #3: Home purchase price – \$750,000**

The first-time buyer in this example has saved 7% of the home's purchase price as a down payment, or \$52,500.

Canada Mortgage and Housing Corporation requires a 5% down payment for the first \$500,000, and 10% for the remaining portion. This means the minimum down payment required for a home valued at \$750,000 is \$50,000.

The Province will match the buyer's contribution up to 5% of the home's purchase price. In this example, the program will contribute \$37,500 towards the down payment, allowing this buyer to put a total of \$90,000 towards the down payment of their first home.

Assuming a 3% interest rate, this buyer will save \$5,201 in interest payments during the first five years of their mortgage compared to if the buyer had purchased the home without the program.

In addition, if this is a newly built home, the buyer can also qualify for the Newly Built Home Exemption for the Property Transfer Tax, saving: \$13,000.



**Diacu, Raz MNGD:EX**

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**From:** Diacu, Raz MNGD:EX  
**Sent:** Wednesday, December 14, 2016 3:29 PM  
**To:** Hirji, Keivan MNGD:EX  
**Subject:** SNs for caucus briefing  
**Attachments:** SN\_BC\_HOME\_Partnership\_presentation\_Dec\_14\_2016\_draft\_2 (3).docx

Here you go – I'll give you a heads up if any updates are needed, but I'm hopeful there won't be.

Echo events are now Prince George (Friday), Penticton and Nanaimo (both on Monday).

## **Speaking Notes for**

**Honourable Rich Coleman**

**Minister of Natural Gas Development,**

**Minister Responsible for Housing and Deputy Premier**

**BC HOME Partnership presentation**

**Wednesday, Dec. 14, 2016**

CHECK AGAINST DELIVERY

- Wanted to speak to you about announcement  
Premier and I will be making tomorrow morning  
about home ownership
- We are launching new program which will allow  
the Province to partner with first-time home  
buyers on their down payment
- The Program is called B.C. Home Owner  
Mortgage and Equity Partnership, or B.C.  
HOME Partnership
- Huge opportunity for first-time homebuyers

- Here is how it will work. For first-time homebuyers who have already saved for down payment, we are providing them with up to \$37,500, or 5% of the maximum purchase price of \$750,000
- This will be a 25-year loan, and the loan will be payment-free and interest-free for first five years
- Will help first-time buyers enter the market, making homeownership more affordable
- Ensuring dream of home ownership remains within reach – key part of our approach to housing affordability

- Program will be administered by BC Housing and the application process will begin on January 16, 2017
- Corporately, social media and television advertising will begin shortly after the announcement
- To support you, my office is sending you key messages and QAs tomorrow.
- GCPE central is developing a comprehensive suite of social media content - including a holiday calendar with static and animated graphics

- This content will be sent to you day of the announcement and extend through January
- To ensure this announcement touches as many British Columbians as possible on social media, encourage you to share the content and utilize hashtag #BCFirst
- Look for an email by end of day tomorrow with the first package of content
- Day of the announcement, you can also find more information on the Province's and BC Housing's websites

- MLAs in Prince George, Penticton and Nanaimo to do “echo” events after tomorrow’s announcement. Info to support these events will be sent to relevant MLAs tomorrow

**– END –**

## **Diacu, Raz MNGD:EX**

---

**From:** Diacu, Raz MNGD:EX  
**Sent:** Wednesday, December 14, 2016 3:28 PM  
**To:** Barnettson, Luella MNGD:EX; Woolley, Paul GCPE:EX; Ash, Christine GCPE:EX  
**Cc:** Hirji, Keivan MNGD:EX  
**Subject:** RE: HOME\_Media Calls A list.docx

Looping in Chris as well

---

**From:** Barnettson, Luella MNGD:EX  
**Sent:** Wednesday, December 14, 2016 2:38 PM  
**To:** Woolley, Paul GCPE:EX; Diacu, Raz MNGD:EX  
**Cc:** Hirji, Keivan MNGD:EX  
**Subject:** RE: HOME\_Media Calls A list.docx

Hi Paul,

Minister agrees to all media, wants CHNL first!

I have his meetings finishing up at his CO at 2:15pm and starting at 1Pm. So in meetings 1pm-2:15pm and holding time for media before and after. I anticipate he can be back at CO at 11:30am.

Thanks

Lu

---

**From:** Woolley, Paul GCPE:EX  
**Sent:** Wednesday, December 14, 2016 10:34 AM  
**To:** Diacu, Raz MNGD:EX  
**Cc:** Hirji, Keivan MNGD:EX; Barnettson, Luella MNGD:EX  
**Subject:** FW: HOME\_Media Calls A list.docx

How much time does the boss have for media Thursday afternoon and Friday? We have nine media suggested here, which we could pitch tomorrow and work with Lu to get them in the calendar, if the boss is OK with us going hard on it. If you could give me the green light or some direction, that would be great.



**Diacu, Raz MNGD:EX**

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**From:** Diacu, Raz MNGD:EX  
**Sent:** Wednesday, December 14, 2016 3:23 PM  
**To:** Woolley, Paul GCPE:EX; Ash, Christine GCPE:EX  
**Subject:** SNs  
**Attachments:** SN\_BC\_HOME\_Partnership\_presentation\_Dec\_14\_2016\_draft\_2 (3).docx

I made some changes around echo event locations and timing of materials package (I believe we'll be sending those tomorrow, not today). Let me know if any concerns, otherwise will go with this version

**Speaking Notes for**

**Honourable Rich Coleman**

**Minister of Natural Gas Development,**

**Minister Responsible for Housing and Deputy Premier**

**BC HOME Partnership presentation**

**Wednesday, Dec. 14, 2016**

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Premier and I will be making tomorrow morning  
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the Province to partner with first-time home  
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HOME Partnership
- Huge opportunity for first-time homebuyers

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**– END –**

**Diacu, Raz MNGD:EX**

---

**From:** Diacu, Raz MNGD:EX  
**Sent:** Wednesday, December 14, 2016 12:43 PM  
**To:** Woolley, Paul GCPE:EX  
**Subject:** Re: SN\_BC\_HOME\_Partnership\_presentation\_Dec\_14\_2016\_draft\_1

Excellent. Spoke to Hide, he will have more for us by 2



## **Diacu, Raz MNGD:EX**

---

**From:** Diacu, Raz MNGD:EX  
**Sent:** Wednesday, December 14, 2016 9:26 AM  
**To:** Woolley, Paul GCPE:EX  
**Cc:** Hirji, Keivan MNGD:EX  
**Subject:** Re: NR

Have sent it up. Quick note - we'll need to remove that second period at the end of the quote

## **Diacu, Raz MNGD:EX**

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**From:** Diacu, Raz MNGD:EX  
**Sent:** Wednesday, December 14, 2016 9:25 AM  
**To:** Coleman, Rich MEM:EX  
**Cc:** Hirji, Keivan MNGD:EX  
**Subject:** HOME news release/quote  
**Attachments:** NR\_HOME\_DRAFT8\_Dec13.docx; ATT00001.htm

Hi Minister,

I've attached the draft news release for the HOME Partnership announcement, and copied the quote below - please let us know if you'd like any changes made:

"The first step into the market can be the hardest step, so our government will partner with homebuyers to match the amount they've saved to help achieve the minimum downpayment" said Rich Coleman, Minister of Natural Gas Development and Responsible for Housing. "This partnership will help lower their monthly costs in the first five years, and help make home ownership more affordable. This partnership program is another important way we're taking action on housing affordability."

News release:

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[UNAPPROVED QUOTE] "We believe every British Columbian deserves a place to call home," said Premier Christy Clark. "We've invested in affordable rental housing, we've invested in transitional and emergency housing, and now we're partnering with first-time buyers to make the purchase of their first home more affordable."

Saving for a mortgage down payment can be hard for first-time homebuyers. The B.C. Home Owner Mortgage and Equity Partnership program matches the amount first-time homebuyers have already saved for their down payment up to \$37,500, or 5% of the purchase price, with a 25-year loan that is interest-free and payment-free for the first five years. Through the program, the Province is investing about \$703 million over the next three years to help an estimated 42,000 B.C. households enter the market for the first time.

[UNAPPROVED QUOTE] "The first step into the market can be the hardest step, so our government will partner with homebuyers to match the amount they've saved to help achieve the minimum downpayment" said Rich Coleman, Minister of Natural Gas Development and Responsible for Housing. "This partnership will help

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### **Learn More:**

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## NEWS RELEASE

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[release number]  
Dec.XX, 2016

Office of the Premier  
Ministry of Natural Gas Development and  
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[UNAPPROVED QUOTE] "The first step into the market can be the hardest step, so our government will partner with homebuyers to match the amount they've saved to help achieve the minimum downpayment" said Rich Coleman, Minister of Natural Gas Development and Responsible for Housing. "This partnership will help lower their monthly costs in the first five years, and help make home ownership more affordable. This partnership program is another important way we're taking action on housing affordability.."

The partnership program will provide a matching down payment loan up to \$37,500 or 5% of the home's purchase price, to a maximum purchase price of \$750,000. During the first five years, there are no monthly interest or principal payments required, as long as the home remains the homebuyer's principal residence. After the first five years, homebuyers begin making monthly payments at current interest rates. Homebuyers will repay the loan over the remaining 20 years, but may make extra payments or repay the loan in full at any time without penalty. The loan must be repaid in full when the home is sold or transfers to another owner.

To be eligible, buyers must be preapproved for an insured high-ratio first mortgage (mortgage down payment is less than 20% of the home price). On completion of the sale, program funds will be advanced and the loan will be registered as a second mortgage on the property's title.

Other programs are available to help first-time buyers save on property transfer tax. The First Time Home Buyers Program can save first-time buyers up to \$7,500 when purchasing a home valued up to \$475,000. Or, first-time buyers can access the Newly Built Homes Exemption,

which can save buyers up to \$13,000 in property transfer tax when purchasing a newly constructed or subdivided home worth up to \$750,000.

The B.C. Home Owner Mortgage and Equity Partnership program will start accepting applications Jan. 16, 2017.

### **Key Facts:**

The Province's commitment to Housing Action is driven by six key principles:

- Ensuring the dream of home ownership remains within the reach of the middle class
- Increasing housing supply
- Smart transit expansion
- Supporting first-time home buyers
- Ensuring Consumer Protection
- Increasing rental supply
- The B.C. government has committed \$855 million over five years, including \$575 million this year, to support the construction or renovation of 4,900 units of affordable housing across the province.
- Since 2001, the B.C. government has invested \$4.9 billion to provide affordable housing for low income individuals, seniors and families.
- More than 104,000 B.C. households benefit from a diverse range of provincial housing programs and services.

### **Learn More:**

To learn more about the Province's actions on housing affordability, visit:

<http://housingaffordability.gov.bc.ca/>

For additional details about the B.C. Home Owner Mortgage and Equity Partnership program, please visit:

[www.bchousing.org](http://www.bchousing.org) (need a direct URL)

Calculator link?

[link to videos/graphics?]

### **Media Contact:**

TBD

Backgrounders follow.

# BACKGROUND 1

## B.C. Home Owner Mortgage and Equity Partnership program details

### Am I eligible for a partnership loan?

The program supports eligible first-time homebuyers who are approved for an insured high-ratio first mortgage. To qualify for the program, all individuals on title must:

- Have been a Canadian citizen or permanent resident for at least five years.
- Have resided in British Columbia for at least one year immediately preceeding the date of application.
- Be a first-time buyer who has not owned an interest in a residence anywhere in the world at any time.
- Use the property as their principal residence for the first five years.
- Purchase a home that has a purchase price of \$750,000 or less (excluding taxes and fees).
- Obtain a high-ratio insured first mortgage on the property for at least 80% of the purchase price.
- Have a combined, gross household income of all individuals on title not exceeding \$150,000.
- Have saved a matching down payment amount at least equal to the loan amount for which the buyer applied.

### What do I do and how do I apply?

**Step 1:** Get preapproval for an insured first mortgage from your financial lending institution.

**Step 2:** Apply to BC Housing for the B.C. Home Owner Mortgage and Equity Partnership program loan. If you are eligible, you will receive confirmation of eligibility and Homebuyer's Kit which includes information for your Lender, Real Estate Agent, and Lawyer/Notary Public.

**Step 3:** Find your home and provide the details of your planned purchase to BC Housing for approval.

Applications for the program will be accepted starting Jan. 16, 2017, for purchases that will close on or after Feb. 15, 2017.

### What information will I need to apply?

Buyers can begin gathering the documents they'll need to submit an online application. Buyers will need:

1. Proof of status in Canada and residency in British Columbia.
2. Secondary identification (must include your photo).
3. Proof of income and tax filings.
4. Insured first mortgage pre-approval.

More information about these requirements: [www.bchousing.org](http://www.bchousing.org) **NEED A DIRECT LINK**

## BACKGROUNDER 2

### Support for first-time buyers using the B.C. Home Owner Mortgage and Equity Partnership program

#### **Example #1: Home purchase price – \$480,000**

This first-time buyer has saved \$12,000 towards their down payment, or 2.5% of the home's purchase price. Through the program, the Province will contribute \$12,000, matching the buyer's 2.5% down payment. This brings the total down payment to \$24,000 or 5% of the home's purchase price, as required by Canada Mortgage and Housing Corporation.

The B.C. HOME Partnership program enabled this buyer to purchase their first home as this buyer did not have the minimum down payment saved to qualify for an insured first mortgage.

#### **Example #2: Home purchase price – \$600,000**

This first-time buyer has saved 5% of the home's purchase price towards their down payment, or \$30,000. Canada Mortgage and Housing Corporation requires a 5% down payment for the first \$500,000, and 10% for the remaining portion. This means the minimum down payment required for a home valued at \$600,000 is \$35,000.

The B.C. HOME Partnership program will match this buyer's contribution of \$30,000, bringing their total down payment to \$60,000, and enabling this buyer to purchase their first home as they had not yet saved the minimum down payment required to qualify for a insured first mortgage.

#### **Example #3: Home purchase price – \$750,000**

The first-time buyer in this example has saved 7% of the home's purchase price as a down payment, or \$52,500.

Canada Mortgage and Housing Corporation requires a 5% down payment for the first \$500,000, and 10% for the remaining portion. This means the minimum down payment required for a home valued at \$750,000 is \$50,000.

The Province will match the buyer's contribution up to 5% of the home's purchase price. In this example, the program will contribute \$37,500 towards the down payment, allowing this buyer to put a total of \$90,000 towards the down payment of their first home.

Assuming a 3% APR, this buyer will save \$5,201 in interest payments during the first five years of their mortgage compared to if the buyer had purchased the home without the program.



## **Diacu, Raz MNGD:EX**

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**From:** Diacu, Raz MNGD:EX  
**Sent:** Tuesday, December 13, 2016 6:40 PM  
**To:** Hirji, Keivan MNGD:EX  
**Attachments:** QA\_HOPE\_Dec\_12\_2016\_DRAFT.docx; ATT00001.txt

## Confidential: Internal Use Only

### Home Ownership Partners in Equity (HOPE) Questions and Answers December 12, 2016

#### **Program Overview and Design**

**1. What is the Home Ownership Partners in Equity Program (HOPE)?**

The Home Ownership Partners in Equity Program (HOPE) matches the amount first-time homebuyers have already saved for their down payment with an interest-free, payment-free loan up to 5% of the home's purchase price for the first five years.

The maximum loan amount of \$37,500 is based on a home purchase price of \$750,000.

Through the program, the Province is providing about \$703 million in loans over the next three years to help an estimated 42,000 B.C. households enter the market for the first time.

**2. What are the Home Ownership Partners in Equity Program benefits?**

Saving for a mortgage down payment can be hard for first-time homebuyers. As the first five years are interest- and payment-free, the program helps make homeownership more affordable and helps first-time buyers enter the housing market.

**3. When does this program begin?**

Applications will be accepted starting Jan. 16, 2017, for purchases that close on or after Feb. 15, 2017.

**4. How long will this program run?**

The program will run from Jan. 16, 2017 until March 31, 2020.

**5. Is the program available throughout the province?**

Yes, HOPE will assist first-time British Columbia homebuyers province-wide. The \$750,000 threshold was chosen so that first-time buyers will be able to find a property, regardless of which region of the province they live in.

**6. How many home buyers are expected to be assisted through HOPE?**

Through the program, the Province expects 13 over the next three years to help about 42,000 B.C. households enter the market for the first time.

**7. How is this number of loans calculated?**

The estimated demand for the program was based on the number of first-time home buyers purchasing homes in B.C. using CMHC insured mortgages in recent years.

**8. Who manages the program?**

BC Housing will manage the program.

**9. Is there a limit to how many loans will be given each year?**

There is no limit to the number of loans approved in any given year.

**10. How does this program help potential homebuyers with affordability? It sounds like it's designed for people who already qualify for mortgages and doesn't help anyone get into the market.**

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This program is designed to help first time home buyers who can afford the costs of home ownership but are having trouble saving the required down payment. The program also helps first time home buyers during the first five years when the costs of home ownership are often the most challenging. In many areas of the province, the average home can cost \$400,000 or \$500,000. Saving the required minimum down payment of \$20,000 or \$25,000 can be challenging for many people.

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### **42.11. Shouldn't the government focus on helping the homeless and people with lower incomes?**

Since 2001, we have invested \$4.9 billion to provide affordable housing for low income individuals, seniors and families. More than 104,000 B.C. households benefit from a diverse range of provincial housing programs and services.

The Province provides more than \$70 million to fund close to 2,000 permanent, year-round shelter beds in B.C., more than double the number of beds that were available in 2001.

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s.1 This year, we've committed \$855 million to support the creation of 4,900 units of affordable rental housing. These units are specifically designated for low- to moderate-income renters, adults with developmental disabilities, youth aging out of care, seniors, students, women and children fleeing abuse, and First Nations.

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BC Housing manages the Housing Registry, a membership-based database used to manage and prioritize applications for social housing. Many of the people with an application in the registry are already housed, but in housing that doesn't meet their current needs.

The registry is not a waitlist. When someone applies to the registry, they are offered housing based on need. When a unit becomes available, a number of variables are considered:

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- Women who have left a violent relationship receive priority placement.
- Health concerns may necessitate a specific type of unit to address the individual's needs.
- Stability of current accommodation – for example a family living in shared accommodations or a family of four in a cramped apartment.

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### **44.13. Why are you announcing this program now s.13**

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No bullets or numbering

The recent federal announcements affecting mortgage loan insurance and the Province's foreign buyer property transfer tax are designed to respond to an overheated housing market. Both the federal and the provincial governments want a stable housing market that is affordable to ordinary Canadians. This announcement today is designed to ensure that first time buyers are able to realize their dream of homeownership and have the opportunity to raise their families and in homes they own.

### **45.14. Isn't the basic premise of this program contrary to the direction of the federal government's recent changes to mortgage applications aimed at tightening restrictions on obtaining mortgages?**

This program is complementary to recent federal changes to mortgage loan insurance. Those rules are designed to make sure home buyers can afford their mortgage payments both today and in the future when they must renew their mortgage at a potentially higher interest rate. Under the Home Ownership Partners in Equity Program, a first time homebuyer must first qualify for an insured high ratio mortgage under the new rules and then can receive assistance with their down payment.

The program supports affordability because there are no monthly payments or interest charges for the first five years the buyer lives in the home.

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We heard British Columbia's first-time buyers when they told us they want their government to help them access the housing market. so they can build a secure and stable future for themselves and their families. s.13

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The Province has a number of programs aimed at making housing more affordable, and not every program is right for every person. Other programs helping home buyers and homeowners include the First Time Home Buyers program, the Newly Built Homes exemption, the home owner grant, and property tax deferment.

So far this year, we've committed \$855 million to support the creation of 4,900 units of affordable rental housing. These units are specifically designated for low- to moderate-income renters, adults with developmental disabilities, youth aging out of care, seniors, students, women and children fleeing abuse, and First Nations.

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### **47-16. Why is there a maximum household income of \$150,000?**

This program is aimed at first-time buyers who are in a position to enter the market, but need a little help gathering the down payment required for a mortgage. The household income threshold helps ensure the program helps those who need it most. To afford a property priced at \$750,000, buyers need an income of at least \$150,000.

### **48-17. Why is the maximum purchase price set at \$750,000?**

This program is designed to help first-time buyers across the province, whether they live in Prince George or Surrey. Home prices can vary greatly in different regions across B.C., and we wanted to make sure the support that's available is enough to help a first-time buyer enter the market, regardless of which community they live in. To afford a property priced at \$750,000, buyers need an income of at least \$150,000.

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### **20-19. What about condo presales?**

People who want to purchase a presale condo are encouraged to apply to the Home Ownership Partners in Equity Program. They can confirm that they are eligible for the program and will qualify for down payment assistance when the time comes to complete the purchase of their new condo. For presales that occur long before the completion of the home, first time home buyers will need to reconfirm their eligibility every six months. All completions under the program must occur before the program's end date of March 31, 2020.

During the presale period, any payment of deposits will be the responsibility of the purchaser. Once the condo is complete and title has transferred, the Province will advance the down payment assistance loan.

## **Home Ownership Partners in Equity Program Funding Source**

### **24-20. How much money is being invested in this program?**

The Province estimates the program will cost a total of \$836 million over the next three years, with about \$703 million in loans advanced to help about 42,000 households enter the market. The funding is expected to come from the new Housing Priority Initiatives Special Account created this year.

### **22-21. Where does the money for the Housing Priority Initiatives Special Account come from?**

The Special Account is mainly funded from Property Transfer Tax revenue. Government will transfer Property Transfer Tax revenue into the special account as necessary to fund housing initiatives.

### **23-22. How much money is currently in the Housing Priority Initiatives Special Account?**

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This Special Account was established with an inaugural balance of \$75 million. An additional \$500 million of Property Transfer Tax revenue has been transferred this year to support BC Housing's investment in 2,900 units of affordable rental housing projects (as recently announced).

**24.23. Is the \$500 million also going to fund the Home Ownership Assistance Program or is additional cash required?**

The \$500 million has been dedicated towards the Investment in Housing Innovation initiative announced earlier. Depending on the timing of actual cash flow needs for the HOPE, additional transfer of Property Transfer Tax revenue will be set aside as needed to ensure that enough resources are available in the HPI Special Account for this program.

**25.24. Is there an estimate as to how much the Housing Priority Initiatives Special Account is expected to grow annually, based on its current revenue streams?**

Funding doesn't automatically flow into the Special Account. Government will transfer appropriate amounts of Property Transfer Tax revenue as necessary to fund priority housing initiatives.

**26.25. What if the Housing Priority Initiatives Special Account is depleted?**

The Special Account was started with an inaugural starting balance of \$75 million and government can transfer portions of Property Transfer Tax revenue as necessary to fund housing initiatives. It is highly unlikely that there will ever be no Property Transfer Tax revenue in the foreseeable future. As well, under the legislation the Special Account can also earn other forms of revenue from various housing-related activities.

**27.26. Do you expect the Housing Priority Initiatives Special Account to continue funding these types of initiatives?**

The Special Account was established for that very purpose.

**28.27. What do you expect the fiscal impact to the Province of the HOPE program to be over the next three years?**

We expect that the new HOPE program will result in two basic effects on the government's finances:

1. Overall spending will increase \$133 million (from Jan. 16, 2017 until March 31, 2020). Costs include grant expenses to reflect the interest-free component of the program loans, plus a modest amount of administration costs.
2. About \$703 million will be disbursed as direct advances in support of homebuyer mortgage down payments. While BC Housing will be holding 2<sup>nd</sup> mortgage loans under HOPE, this means that less surplus cash resources will be available each year to reduce taxpayer-supported debt as long as the loans remain outstanding.

### **HOPE Loan/Financing**

**29.28. How does the HOPE loan work?**

The HOPE loan will match the cash downpayment provided by the applicant, up to a maximum of 5% of the purchase price (the maximum purchase price is \$750,000 and thus the maximum HOPE loan is \$37,500). The combined cash down payment and HOPE loan must meet the minimum downpayment requirements to qualify for an insured residential mortgage for the home and be equal to or less than 20% of the purchase price.

Repayment details:

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- Year 0-5 – payment and interest free
- Year 6-25 – market interest rate

### **30-29. What is the interest on the loan?**

The loan is payment- and interest-free for the first five years, and then for year 6-25 of the mortgage, market interest rates apply. The interest rate will be the Royal Bank of Canada prime rate plus 0.5% (RBC prime rate is currently 2.7% and thus the HOPE interest rate would be 3.2% at present).

### **31-30. Are these loans from BC Housing registered on title as a second mortgage?**

Yes

### **32-31. Does the initial mortgage term need to be a five-year term or can an applicant choose a different term (e.g. a 3-year term)?**

The homebuyer can choose the term for their first mortgage. The HOPE mortgage will have a 25-year term. The loan is interest-free and payment-free for the first five years. Interest and payments are required in years 6-25. The interest rate will be reset every five years at year 10, 15 and 20 at the Royal Bank of Canada prime rate plus 0.5% (RBC prime rate is currently 2.7% and thus the HOPE interest rate would be 3.2% at present).

### **33-32. Is BC Housing still involved if an applicant pays the HOPE loan in full, before or at the end of the initial five year term?**

No. The mortgage will be discharged once the loan is repaid in full.

### **34-33. How are the legal costs involved in the loan managed?**

A legal services fee will be added to the total HOPE loan amount, and will be disclosed to the applicants at the time of loan approval. The homebuyer is also responsible for any additional fees charged by their own lawyer/notary for their role in the HOPE process.

### **35-34. Does the cash down payment need to come from the applicants, or can it be gifted from parents, for example?**

The HOPE program will match any downpayment that is accepted by the first mortgage lender. Talk to your mortgage broker about lenders' rules regarding the source of funds used for a down payment.

### **36-35. What happens if a homeowner defaults on a loan and declares bankruptcy?**

Given that buyers will need to qualify for an insured first mortgage, which involves an assessment of their household income, existing debt, and ability to pay their mortgage, we expect defaults to be extremely rare. However, in the event of a homeowner defaulting on the loan, either lender can initiate foreclosure proceedings. The first mortgage is paid out first, followed by the HOPE loan, which is registered as a second mortgage.

### **37-36. Were financial institutions consulted on this program?**

Yes. BC Housing has consulted with CMHC and financial institutions. The program is compliant with all federal rules related to mortgage eligibility.

### **38-37. Is there a penalty for paying the loan off before the end of the 10 years?**

HOPE loans can be repaid at any time without penalty and extra payments on principal can also be made at any time without penalty.

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**39.38. Does the loan have to be repaid if the buyer refinances after five years with an uninsured first mortgage?**

The loan does not need to be repaid if the buyer refinances their first mortgage

**40.39. Is the interest-free loan considered a taxable benefit for income tax purposes?**

Buyers should consult their tax advisors or the Canada Revenue Agency.

### **Eligibility Requirements**

**41.40. What criteria must homebuyers meet to qualify for assistance under HOPE?**

To qualify for HOPE, all individuals who will have a registered interest on the title of the home must be included on the application and meet all of the following eligibility requirements:

- Be a Canadian citizen or permanent resident that has resided in British Columbia for at least 5<sup>13</sup>
- Be a first-time home buyer who has not owned an interest in a residence anywhere in the world at any time<sup>1</sup>.
- The home being purchased will only be used as their principal residence<sup>2</sup> for the first 5 years
- Purchase a home that is \$750,000 or less.
- The combined, gross household income of all individuals on title must not exceed \$150,000.

**42.41. Is proof of Canadian citizenship and/or permanent resident status required?**

Yes, passports, birth certificates and permanent residency cards are acceptable documentation.

**43.42. How will the principal residence requirement be monitored?**

HOPE loan recipients may be required to provide an annual declaration and proof of continued principal residency.

Principal Residence is defined as the home that is designated (and is eligible to be designated) as the owner's principal residence for tax purposes, and where all persons registered on title live permanently in a self-contained unit with access to all living facilities at all times to conduct their daily activities (such as: cooking, sleeping, and bathroom).

**44.43. Does the gross household income limit of all individuals on title include rental income from a suite, if applicable?**

No. Rental income from a suite is not included as part of the gross household income.

**45.44. Can loan recipients have tenants in their homes?**

<sup>1</sup> And has never received a first-time homebuyers' exemption or refund.

<sup>2</sup> Principal Residence is defined as the home that is designated (and is eligible to be designated) as the owner's principal residence for tax purposes, and where all persons registered on title live permanently in a self-contained unit with access to all living facilities at all times to conduct their daily activities (such as: cooking, sleeping, and bathroom).



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The homebuyer can rent out secondary suites or bedrooms as long as they also use the property as their principal residence in the first five years. If the home is not used as the home buyer's principal residence, immediate repayment of the loan is triggered.

### **46-45. What type of home is eligible to be purchased under the program?**

The following type of home is eligible:

- Legal, self-contained, mortgageable residence located in British Columbia.
- The home must serve as the applicant's principal residence. Seasonal/recreational properties are not eligible.
- Purchase price must not exceed \$750,000.

## **Application Details**

### **47-46. How do people apply?**

Applications will be accepted online via the BC Housing website (Link to HOPE application portal).

### **48-47. Do prospective homebuyers need to approach their financial institution/lender prior to applying for the loan through BC Housing?**

Yes. Applicants must obtain confirmation from a National Housing Act approved lender confirming they are pre-approved for an insured residential mortgage prior to submitting their application.

### **49-48. How will homebuyers who apply be selected?**

All completed applications will be assessed for eligibility.

### **50-49. How will homebuyers receiving HOPE funding know what steps they need to take?**

After homebuyers have applied online and been approved by BC Housing, they will be provided with a homebuyer's package containing:

- Confirmation of eligibility
- Detailed program information and buyer's checklist
- Information to provide to their lender, real estate agent and lawyer/notary

### **51-50. How long will it take for BC Housing to review and approve applications?**

BC Housing's online application system will provide a decision on complete applications within 5 business days in most circumstances.

## **Housing Market Questions**

### **52-51. What happens when the home buyer sells the property?**

If the home is sold before the HOPE loan is repaid, the homeowner must repay the loan at the time of change in ownership.

### **52. Is it true that millennials are moving away from Vancouver because of high housing prices?**

This is a myth. The BC Real Estate Association reports millennials are actually the most populous age group in the City of Vancouver today, and the rate of home ownership for younger

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households has increased significantly during the last two census periods. More info:  
<http://www.bcrea.bc.ca/docs/economics-forecasts-and-presentations/myth-of-the-retreating-millennial.pdf>

### 53. Are there any resale restrictions for the homebuyer?

No. Any outstanding loan amount must be repaid upon sale, and the mortgage will be discharged from title.

### 54. What happens if house prices decline when a homeowner needs to sell?

A sharp market correction that would reduce the value of homes beyond the equity buyers will have from their own down payment contribution is unlikely in the current economic environment. However, the HOPE loan must be repaid regardless of house prices.

The CMHC's rules are designed to protect the housing market against the risk of a market correction and ensure that people aren't taking on more debt than they can afford. The Home Ownership Partners in Equity Program supports affordability because there are no monthly payments or interest charges for the first five years the buyer lives in the home. The homebuyer still needs to qualify for an insured first mortgage. This means their lender will have assessed their ability to carry the mortgage based on their household income, other debt and the home's purchase price.

### 55. What happens if there are significant increases to interest rates?

Economists predict sudden significant increases to interest rates are unlikely, although gradual rate increases by the Bank of Canada are to be expected as the Canadian economy improves. The CMHC's rules are designed to protect the housing market against the risk of a market correction and ensure that people aren't taking on more debt than they can afford. The Home Ownership Partners in Equity Program supports affordability because there are no monthly payments or interest charges for the first five years the buyer lives in the home. The homebuyer still needs to qualify for an insured first mortgage. This means their lender will have assessed their ability to carry the mortgage based on their household income, other debt and the home's purchase price.

### 56. What is the average home price in cities throughout the province?

Average home prices vary in the different regions of the province. The \$750,000 threshold was chosen to ensure that first-time buyers will be able to find a property regardless of where they live in the province.

MLS benchmark prices (November 2016) are as follows according to local real estate boards:

Community	Condo	Townhome	Single-family detached home
Greater Vancouver	\$512,100	\$667,100	\$1,511,100
Greater Victoria	\$371,300	\$501,300	\$620,100
South Okanagan*	\$200,595	\$288,275	\$432,449
Fraser Valley	\$258,600	\$424,300	\$860,800

#### Sources:

Greater Vancouver: <http://www.rebgv.org/monthly-reports?month=November&year=2016>

Greater Victoria: <http://www.vreb.org/pdf/VREBNewsReleaseFull.pdf>

\*(Average price) South Okanagan:

[http://www.soreb.org/includes/South\\_Okanagan/stats/2016/NOV16/NOV16SO.pdf](http://www.soreb.org/includes/South_Okanagan/stats/2016/NOV16/NOV16SO.pdf)

Fraser Valley: <http://www.fvreb.bc.ca/statistics/Package201611.pdf>

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According to the Canadian Real Estate Association, the average price of a home sold in October 2016 was:

- BC Northern: \$265,459 - <http://creastats.crea.ca/cari/>
- Kamloops and District: \$362,352 - <http://creastats.crea.ca/kaml/>
- Chilliwack and District: \$417,242 - <http://creastats.crea.ca/chil/>
- Kootenay: \$290,183 - <http://creastats.crea.ca/koot/>

### 57. What is the average household income in BC?

Here is an example of average household incomes in a sample of BC cities.

City	Average Household Income, 2010
Vancouver	\$80,460
Kelowna	\$74,975
Nanaimo	\$64,189
Surrey	\$82,789
Prince George	\$74,833

Source: National Household Survey 2011, Statistics Canada

Note: More recent data will be available in September 2017.

## Diacu, Raz MNGD:EX

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**From:** Woolley, Paul GCPE:EX  
**Sent:** Wednesday, December 14, 2016 5:49 PM  
**To:** Diacu, Raz MNGD:EX; Hirji, Keivan MNGD:EX  
**Cc:** Harbord, Darren GCPE:EX; Ash, Christine GCPE:EX; Beaupre, Darren GCPE:EX; Platts, Robin GCPE:EX; Barnetson, Luella MNGD:EX; Giles, Alison GCPE:EX  
**Subject:** Fw: Docs - 530PM  
**Attachments:** HOME Partnership\_MLA Kit KM-QA\_13Dec16\_16.docx; 2016PREM0153-002759.pdf; GPE16-031\_Housing Campaign\_HOME\_8.5x11 (1).pdf; HousingDownpayment\_TechBrief\_PPT\_C - Dec 13 - 7PM.PPTX; HOME Partnership\_ConsolidatedQA\_Dec12\_DRAFT\_CLEAN.docx

**Importance:** High

Sent from my BlackBerry 10 smartphone on the TELUS network.

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**From:** Edwardson, Jamie GCPE:EX <[Jamie.Edwardson@gov.bc.ca](mailto:Jamie.Edwardson@gov.bc.ca)>  
**Sent:** Wednesday, December 14, 2016 5:35 PM  
**To:** Fraser, John Paul GCPE:EX; Wolford, Jessica GCPE:EX; Woolley, Paul GCPE:EX  
**Cc:** Dila, Mary GCPE:EX; Ozawa, Hide GCPE:EX  
**Subject:** FW: Docs - 530PM

Fixes some language in the master Q/A.

s.22

so pls call if there are issues. I might not see a text immediately.

---

**From:** Edwardson, Jamie GCPE:EX  
**Sent:** Wednesday, December 14, 2016 5:03 PM  
**To:** Wolford, Jessica GCPE:EX; Fraser, John Paul GCPE:EX; Woolley, Paul GCPE:EX  
**Cc:** Ozawa, Hide GCPE:EX; Dila, Mary GCPE:EX  
**Subject:** Docs - 5PM  
**Importance:** High

Jamie Edwardson

Communications Director | Ministry of Finance | Province of British Columbia  
P: (250) 356-2821 | M: (250) 888-0021 | [jamie.edwardson@gov.bc.ca](mailto:jamie.edwardson@gov.bc.ca)

**MLA Kit – BC Home Owner Mortgage and Equity Partnership**  
**Dec. 13, 2016**

**Key Messages:**

- If you're entering the market to buy your first home, the B.C. government is launching a new program to partner with you on the down payment for your mortgage.
- Through the B.C. Home Owner Mortgage and Equity Partnership (B.C. HOME Partnership) program, the Province is investing about \$703 million over the next three years to help an estimated 42,000 B.C. households enter the market for the first time.
- The B.C. HOME Partnership program contributes to the amount first-time homebuyers have already saved for their down payment, providing up to \$37,500, or 5% of the purchase price, with a 25-year loan that is interest-free and payment-free for the first five years.
- Saving for a down payment can be hard for first-time buyers. As the first five years are interest- and payment-free, the program partners with first-time buyers to help them enter the housing market and help make homeownership more affordable.
- After the first five years, homebuyers begin making monthly payments at current interest rates.
- Ensuring the dream of home ownership remains within reach is a key part of our approach to housing affordability, along with increasing housing supply; smart transit expansion; supporting first-time home buyers; ensuring consumer protection; and increasing rental supply.

**Questions and Answers:**

**1. What is the B.C. HOME Partnership program?**

The B.C. Home Owner Mortgage and Equity Partnership (B.C. HOME Partnership) program partners with first-time homebuyers by contributing to the amount they've already saved for their down payment with a 25-year mortgage loan of up to 5% of the home's purchase price.

The loan is interest-free and payment for the first five years if the home remains the buyer's principal residence. The maximum loan amount of \$37,500 is based on a home purchase price of \$750,000. Through the program, the Province is providing about \$703 million in loans over the next three years (starting Feb. 15, 2017) to help an estimated 42,000 B.C. households enter the market for the first time.

**2. What are the B.C. HOME Partnership program's benefits?**

Saving for a mortgage down payment can be hard for first-time homebuyers. As the first five years are interest- and payment-free, the program partners with first-time buyers to help them enter the housing market and help make homeownership more affordable.

**3. When does this program begin?**

Applications will be accepted starting Jan. 16, 2017, for purchases that close on or after Feb. 15, 2017.

**4. How long will this program run?**

The program will run from Jan. 16, 2017 until March 31, 2020.

**5. Is the program available throughout the province?**

Yes, the B.C. HOME Partnership program will assist first-time British Columbia homebuyers province-wide. The \$750,000 threshold was chosen so that first-time buyers will be able to find a property, regardless of which region of the province they choose to buy and live in.

**6. How does the partnership loan work?**

The B.C. HOME Partnership program loan will contribute to the cash down payment provided by the applicant, up to a maximum of 5% of the purchase price (the maximum purchase price is \$750,000 and thus the maximum loan is \$37,500). Eligible first-time buyers must have saved a down payment amount at least equal to the loan amount for which they applied.

The combined cash down payment and partnership loan must meet the minimum down payment requirements to qualify for an insured residential first mortgage for the home and be equal to or less than 20% of the purchase price.

Repayment details:

- Year 0-5 – payment and interest free
- Year 6-25 – monthly repayments at market interest rate

**7. How does this program help potential homebuyers with affordability?**

This program is designed to partner with first-time homebuyers who can afford the costs of home ownership but are having trouble saving the required down payment. The program also helps first-time homebuyers during the first five years when the costs of home ownership are often the most challenging. In many areas of the province, the average home can cost \$400,000 or \$500,000. Saving the required minimum down payment of \$20,000 or \$25,000 can be difficult for many people.

**8. How else are you helping British Columbians with housing affordability?**

We heard British Columbia's first-time buyers when they told us they want their government to help them access the housing market, so they can build a secure and stable future for themselves and their families.

The Province has a number of programs aimed at making housing more affordable, and not every program is right for every person. Other programs helping home buyers and homeowners include the First Time Home Buyers program, the Newly Built Homes exemption, the home owner grant, and property tax deferment.

This year, we've committed to investing \$855 million to support the creation of 4,900 units of affordable rental housing. These units are specifically designated for low- to moderate-income renters, adults with developmental disabilities, youth aging out of care, seniors, students, women and children fleeing abuse, and First Nations.

**9. What criteria must home buyers meet to qualify for partnership assistance?**

To qualify for a partnership loan, all individuals who will have a registered interest on the title of the home must be included on the application and meet all of the following eligibility requirements:

- Have been a Canadian citizen or permanent resident for at least five years.
- Have resided in British Columbia for at least one year immediately preceding the date of their application.

- Be a first-time home buyer who has not owned an interest in a residence anywhere in the world at any time (and has never received a first-time homebuyers' exemption or refund).
- The home being purchased will only be used as their principal residence for the first 5 years. (Principal Residence is defined as the home that is designated (and is eligible to be designated) as the owner's principal residence for tax purposes, and where all persons registered on title live permanently in a self-contained unit with access to all living facilities at all times to conduct their daily activities (such as: cooking, sleeping, and bathroom).
- Purchase a home that is \$750,000 or less.
- The combined, gross household income of all individuals on title must not exceed \$150,000.
- Show proof of pre-approval for an insured high-ratio first mortgage (mortgage down payment is less than 20% of the home price).

#### 10. What is the average home price in cities throughout the province?

Average home prices vary in the different regions of the province. The \$750,000 threshold was chosen to help ensure that first-time buyers will be able to find a property regardless of where they live in the province.

MLS benchmark prices (November 2016) are as follows according to local real estate boards:

Community	Condo	Townhome	Single-family detached home
Greater Vancouver	\$512,100	\$667,100	\$1,511,100
Greater Victoria	\$371,300	\$501,300	\$620,100
South Okanagan*	\$200,595	\$288,275	\$432,449
Fraser Valley	\$258,600	\$424,300	\$860,800

#### Sources:

Greater Vancouver: <http://www.rebgv.org/monthly-reports?month=November&year=2016>

Greater Victoria: <http://www.vreb.org/pdf/VREBNewsReleaseFull.pdf>

\*(Average price) South Okanagan:

[http://www.soreb.org/includes/South\\_Okanagan/stats/2016/NOV16/NOV16SO.pdf](http://www.soreb.org/includes/South_Okanagan/stats/2016/NOV16/NOV16SO.pdf)

Fraser Valley: <http://www.fvreb.bc.ca/statistics/Package201611.pdf>

According to the Canadian Real Estate Association, the average price of a home sold in October 2016 was:

- BC Northern: \$265,459 - <http://creastats.crea.ca/cari/>
- Kamloops and District: \$362,352 - <http://creastats.crea.ca/kaml/>
- Chilliwack and District: \$417,242 - <http://creastats.crea.ca/chil/>
- Kootenay: \$290,183 - <http://creastats.crea.ca/koot/>

Residential Area	MLS average price (dollars)			MLS Median price (dollars)		
	Single-family	Apartment	Townhome	Single-family	Apartment	Townhome
Abbotsford	\$ 677,809	\$ 358,994	\$ 218,076	\$ 614,500	\$ 363,800	\$ 194,700
Mission	\$ 537,500	\$ 315,000	\$ 208,000	\$ 580,918	\$ 314,414	\$ 242,417
Victoria	\$ 810,792	\$ 393,901	\$ 509,965	\$ 666,000	\$ 327,750	\$ 430,000
Nanaimo	\$ 502,056	\$ 306,922	\$ 271,309	\$ 427,500	\$ 299,089	\$ 237,500
Parksville	\$ 579,326	\$ 338,759	\$ 189,929	\$ 451,000	\$ 342,000	\$ 159,000
Cowichan Valley	\$ 457,130	\$ 282,483	\$ 178,644	\$ 400,500	\$ 297,950	\$ 148,000
Campbell River	\$ 386,700	\$ 273,137	\$ 150,761	\$ 345,000	\$ 263,000	\$ 141,500
Port Alberni	\$ 322,507	\$ 155,375	\$ 88,000	\$ 269,900	\$ 112,250	\$ 88,000
Fort St. John	\$ 409,657	n/a	\$ 312,400	\$ 360,000	n/a	\$ 312,400
Prince Rupert	\$ 256,821	n/a	\$ 89,250	\$ 271,000	n/a	\$ 89,500

Source: CREA

Note: Data is most recent available up to October 2016



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## NEWS RELEASE

For Immediate Release  
2016PREM0153-002759  
Dec. 15, 2016

Office of the Premier  
Ministry of Natural Gas Development  
and Responsible for Housing

### **New program partners with first-time homebuyers as they enter the housing market**

VANCOUVER – If you're entering the market to buy your first home, the B.C. government is launching a new program to partner with you on the down payment for your mortgage, B.C. Premier Christy Clark announced today.

"We believe every British Columbian deserves a place to call home," said Premier Christy Clark. "We've invested in affordable rental housing, we've invested in transitional and emergency housing, and now we're partnering with first-time buyers to make the purchase of their first home more affordable."

Saving for a mortgage down payment can be hard for first-time homebuyers. The B.C. Home Owner Mortgage and Equity Partnership program contributes to the amount first-time homebuyers have already saved for their down payment, providing up to \$37,500, or up to 5% of the purchase price, with a 25-year loan that is interest-free and payment-free for the first five years. Through the B.C. HOME Partnership program, the Province is investing about \$703 million over the next three years to help an estimated 42,000 B.C. households enter the market for the first time.

"The first step into the market can be the hardest step, so our government will partner with homebuyers to help them achieve their minimum down payment," said Rich Coleman, Minister of Natural Gas Development and Minister Responsible for Housing. "This partnership can help lower their monthly costs in the first five years, and help make home ownership more affordable. This partnership program is another important way we're taking action on housing affordability."

During the first five years, no monthly interest or principal payments are required as long as the home remains the homebuyer's principal residence. After the first five years, homebuyers begin making monthly payments at current interest rates. Homebuyers will repay the loan over the remaining 20 years, but may make extra payments or repay it in full at any time without penalty. The loan must be repaid in full when the home is sold or transferred to another owner.

To be eligible, buyers must be preapproved for an insured high-ratio first mortgage (mortgage down payment is less than 20% of the home price). On completion of the sale, program funds will be advanced and the loan will be registered as a second mortgage on the property's title.

Other programs are available to help first-time buyers save on property transfer tax. The First Time Home Buyers Program can save first-time buyers up to \$7,500 when purchasing a home valued up to \$475,000. Or, first-time buyers can access the Newly Built Homes Exemption, which can save buyers up to \$13,000 in property transfer tax when purchasing a newly

constructed or subdivided home worth up to \$750,000.

The B.C. Home Owner Mortgage and Equity Partnership program will start accepting applications Jan. 16, 2017.

**Key Facts:**

The Province's commitment to housing action is driven by six key principles:

- Ensuring the dream of home ownership remains within the reach of the middle class
  - Increasing housing supply
  - Smart transit expansion
  - Supporting first-time home buyers
  - Ensuring Consumer Protection
  - Increasing rental supply
- The B.C. government has committed \$855 million over five years, including \$575 million this year, to support the construction or renovation of 4,900 units of affordable housing throughout the province.
- Since 2001, the B.C. government has invested \$4.9 billion to provide affordable housing for low income individuals, seniors and families.
- More than 104,000 B.C. households benefit from a diverse range of provincial housing programs and services.

**Learn More:**

Learn how to apply: [https://news.gov.bc.ca/files/Housing\\_Campaign\\_HOME.pdf](https://news.gov.bc.ca/files/Housing_Campaign_HOME.pdf)

To learn more about the Province's actions on housing affordability, visit:

<http://housingaction.gov.bc.ca/>

For additional details about the B.C. Home Owner Mortgage and Equity Partnership program, please visit: <https://homeownerservices.bchousing.org/>

B.C. Home Owner Mortgage and Equity Partnership program, BC Housing:

Phone: 604-439-4727

Toll Free Number: 1-844-365-4727

**Media Contacts:**

Stephen Smart  
Press Secretary  
Office of the Premier  
778 389-6202

Ally Skinner-Reynolds  
BC Housing  
604 456-8895  
604 209-4399

Darren Beaupre  
Ministry of Natural Gas Development  
and Responsible for Housing  
250 356-5892  
250 213-3334





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## BACKGROUNDER 1

For Immediate Release  
2016PREM0153-002759  
Dec. 15, 2016

Office of the Premier  
Ministry of Natural Gas Development  
and Responsible for Housing

### **B.C. Home Owner Mortgage and Equity Partnership program details**

#### **Am I eligible for a partnership loan?**

The program supports eligible first-time homebuyers who are approved for an insured high-ratio first mortgage. To qualify for the program, all individuals on title must:

- Have been a Canadian citizen or permanent resident for at least five years.
- Have resided in British Columbia for at least one year immediately preceeding the date of application.
- Be a first-time buyer who has not owned an interest in a residence anywhere in the world at any time.
- Use the property as their principal residence for the first five years.
- Purchase a home that has a purchase price of \$750,000 or less (excluding taxes and fees).
- Obtain a high-ratio insured first mortgage on the property for at least 80% of the purchase price.
- Have a combined, gross household income of all individuals on title not exceeding \$150,000.
- Have saved a down payment amount at least equal to the loan amount for which the buyer applied.

#### **What do I do and how do I apply?**

**Step 1:** Get preapproval for an insured first mortgage from your financial lending institution.

**Step 2:** Apply to BC Housing for the B.C. Home Owner Mortgage and Equity Partnership program loan. If you are eligible, you will receive confirmation of eligibility and Homebuyer's Kit, which includes information for your lender, real estate licensee, and lawyer/notary public.

**Step 3:** Find your home and provide the details of your planned purchase to BC Housing for approval.

Applications for the program will be accepted starting Jan. 16, 2017, for purchases that will close on or after Feb. 15, 2017.

#### **What information will I need to apply?**

Buyers can begin gathering the documents they'll need to submit an online application. Buyers will need:

1. Proof of status in Canada and residency in British Columbia.

2. Secondary identification (must include your photo).
3. Proof of income and tax filings.
4. Insured first mortgage pre-approval.

More information about these requirements: <https://homeownerservices.bchousing.org/>

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Connect with the Province of B.C. at: [www.gov.bc.ca/connect](http://www.gov.bc.ca/connect)



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## BACKGROUNDER 2

For Immediate Release  
2016PREM0153-002759  
Dec. 15, 2016

Office of the Premier  
Ministry of Natural Gas Development  
and Responsible for Housing

### **Support for first-time buyers using the B.C. Home Owner Mortgage and Equity Partnership program**

#### **Example #1: Home purchase price – \$475,000**

This first-time buyer has saved \$11,875 towards their down payment, or 2.5% of the home's purchase price. Through the program, the Province will contribute \$11,875, equal to the buyer's 2.5% down payment. This brings the total down payment to \$23,750 or 5% of the home's purchase price, as required by Canada Mortgage and Housing Corporation. This loan is interest and payment-free for the first five years.

As a first-time buyer, this person can also qualify for the First Time Home Buyer's exemption for the Property Transfer Tax, saving: \$7,500.

The B.C. HOME Partnership program enabled this buyer to purchase their first home as this buyer did not have the minimum down payment saved to qualify for an insured first mortgage.

#### **Example #2: Home purchase price – \$600,000**

This first-time buyer has saved 5% of the home's purchase price towards their down payment, or \$30,000. Canada Mortgage and Housing Corporation requires a 5% down payment for the first \$500,000, and 10% for the remaining portion. This means the minimum down payment required for a home valued at \$600,000 is \$35,000. This loan is interest and payment-free for the first five years.

If this is a newly built home, the buyer can also qualify for the Newly Built Home Exemption for the Property Transfer Tax, saving: \$10,000.

The B.C. HOME Partnership program will meet this buyer's contribution of \$30,000, bringing their total down payment to \$60,000, and enabling this buyer to purchase their first home as they had not yet saved the minimum down payment required to qualify for a insured first mortgage.

#### **Example #3: Home purchase price – \$750,000**

The first-time buyer in this example has saved 7% of the home's purchase price as a down payment, or \$52,500.

Canada Mortgage and Housing Corporation requires a 5% down payment for the first \$500,000, and 10% for the remaining portion. This means the minimum down payment required for a home valued at \$750,000 is \$50,000.

The Province will meet the buyer's contribution up to 5% of the home's purchase price. In this

example, the program will contribute \$37,500 towards the down payment, allowing this buyer to put a total of \$90,000 towards the down payment of their first home.

Assuming a 3% interest rate, this buyer will save \$5,201 in interest payments during the first five years of their mortgage compared to if the buyer had purchased the home without the program.

In addition, if this is a newly built home, the buyer can also qualify for the Newly Built Home Exemption for the Property Transfer Tax, saving: \$13,000.

**Media Contacts:**

Stephen Smart  
Press Secretary  
Office of the Premier  
778 389-6202

Ally Skinner-Reynolds  
BC Housing  
604 456-8895  
604 209-4399

Darren Beaupre  
Ministry of Natural Gas Development  
and Responsible for Housing  
250 356-5892  
250 213-3334

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Connect with the Province of B.C. at: [www.gov.bc.ca/connect](http://www.gov.bc.ca/connect)

# HOUSING ACTION

## BC HOME PARTNERSHIP

### ELIGIBILITY CHECKLIST

- ☒ You are a Canadian citizen or a permanent resident for at least five years and have lived in BC for one year
- ☒ You are a first time home buyer
- ☒ You plan to purchase a home for \$750,000 or less
- ☒ You have at least half of the minimum downpayment required to purchase your home
- ☒ Your total household income is \$150,000 or less
- ☒ Your new home will be your principal residence

### HOW TO APPLY?



For more information and how to apply, visit [gov.bc.ca/housingaction](http://gov.bc.ca/housingaction)

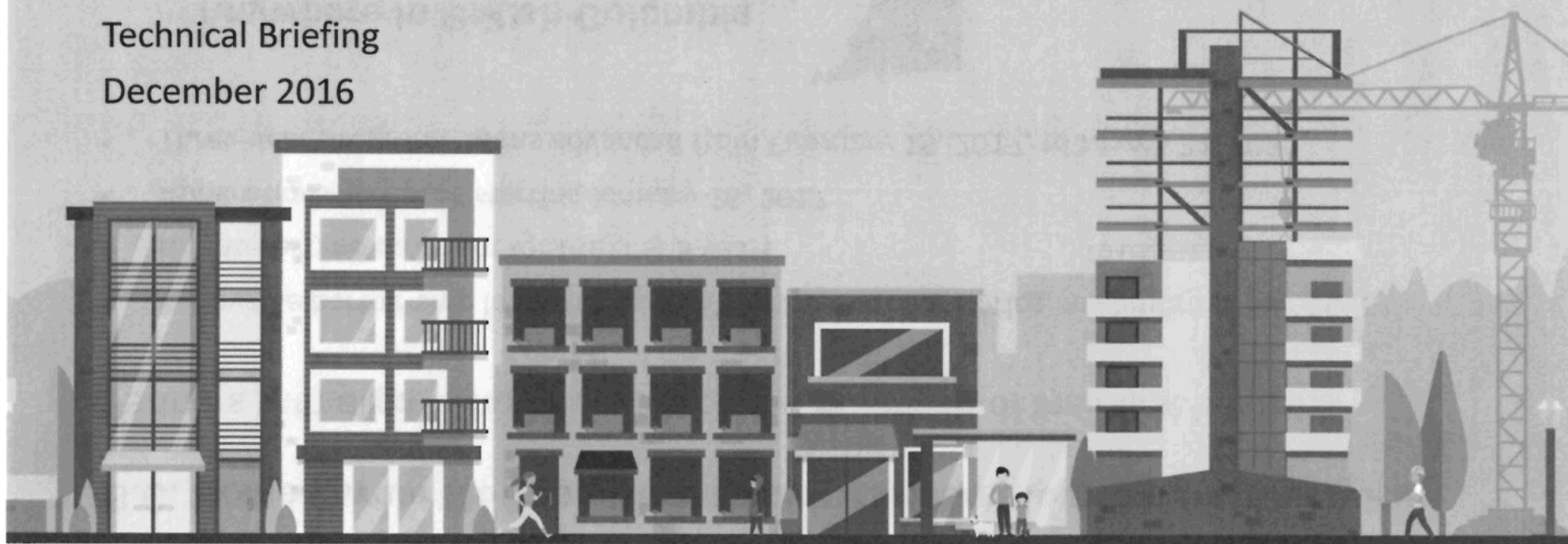
Conditions apply



# B.C. Home Owner Mortgage and Equity Partnership program

Technical Briefing

December 2016





## **B.C. Home Owner Mortgage and Equity Partnership program: Overview**

Partners with eligible homebuyers on the purchase of their first home

- Repayable partnership loans for up to 5% of the purchase price, maximum of \$37,500.
- No interest, no payment for the first 5 years.
- Applications accepted starting January 16, 2017.
- Three-year program - loans advanced from February 15, 2017, to March 31, 2020.

**Anywhere in British Columbia**



B.C. HOME Partnership Program



## Homebuyer Eligibility

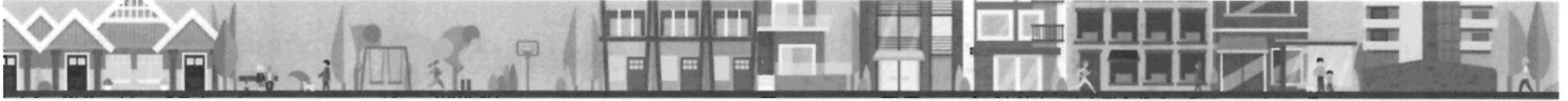
All individuals with a registered interest on title must reside in the home and:

- Be a first-time homebuyer
- Have been a Canadian citizen or permanent resident for at least five years
- Have resided in B.C. for at least 12 months
- Have a combined gross income of \$150,000 or less
- Have saved at least half of the minimum down payment they will require
- Applicants must be pre-approved for a 1<sup>st</sup> mortgage before applying

**1<sup>st</sup> mortgage must be high-ratio insured from an NHA approved lender,  
for more than 80% of the purchase price**



B.C. HOME Partnership Program



## Eligible Properties

Any legal, self-contained, mortgageable residence located in BC

- Must be used as the homebuyer's principal residence for the first 5 years
- Rental properties and seasonal/recreational properties not eligible



**Purchase price cannot exceed  
\$750,000**

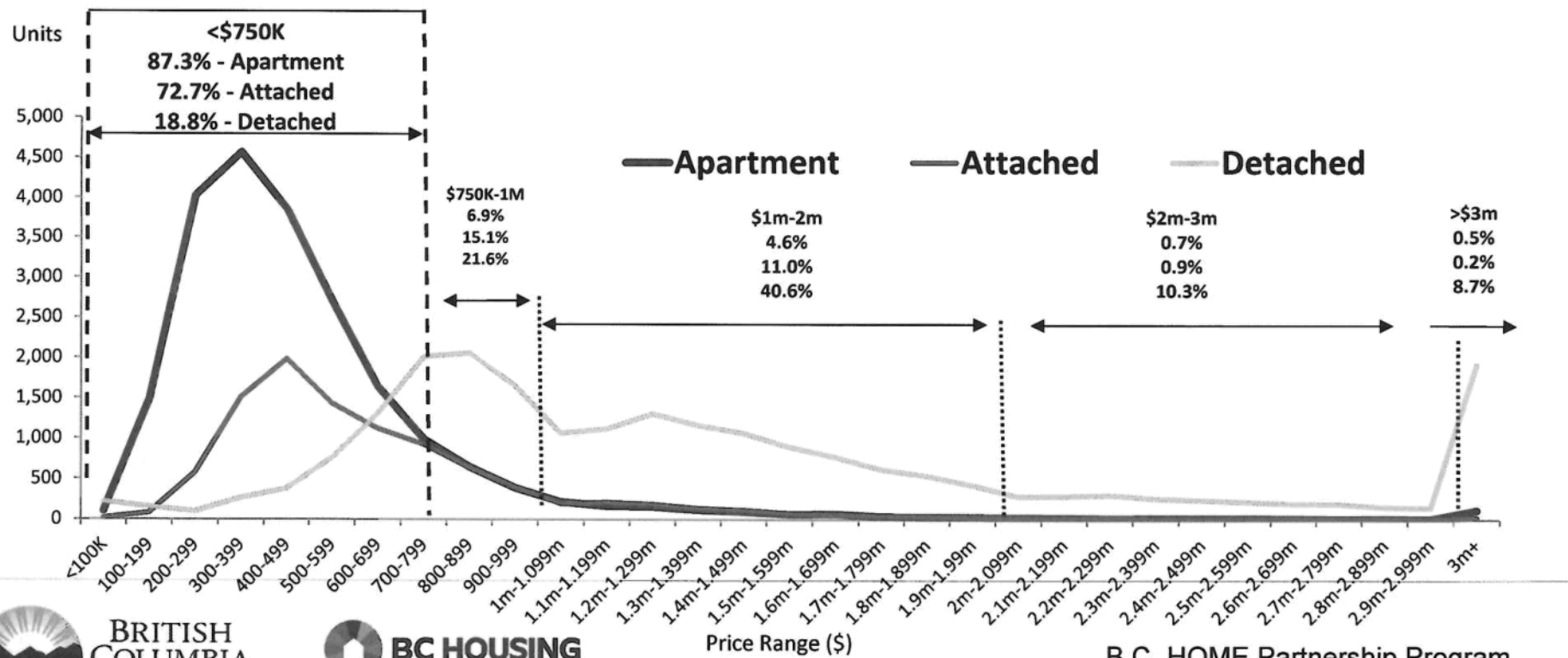


B.C. HOME Partnership Program



## 87% of apartments, 73% of attached homes, 19% of detached homes currently on market could qualify

MLS® Residential Sales by Product Type  
Metro Vancouver 2016 (Jan-Nov)

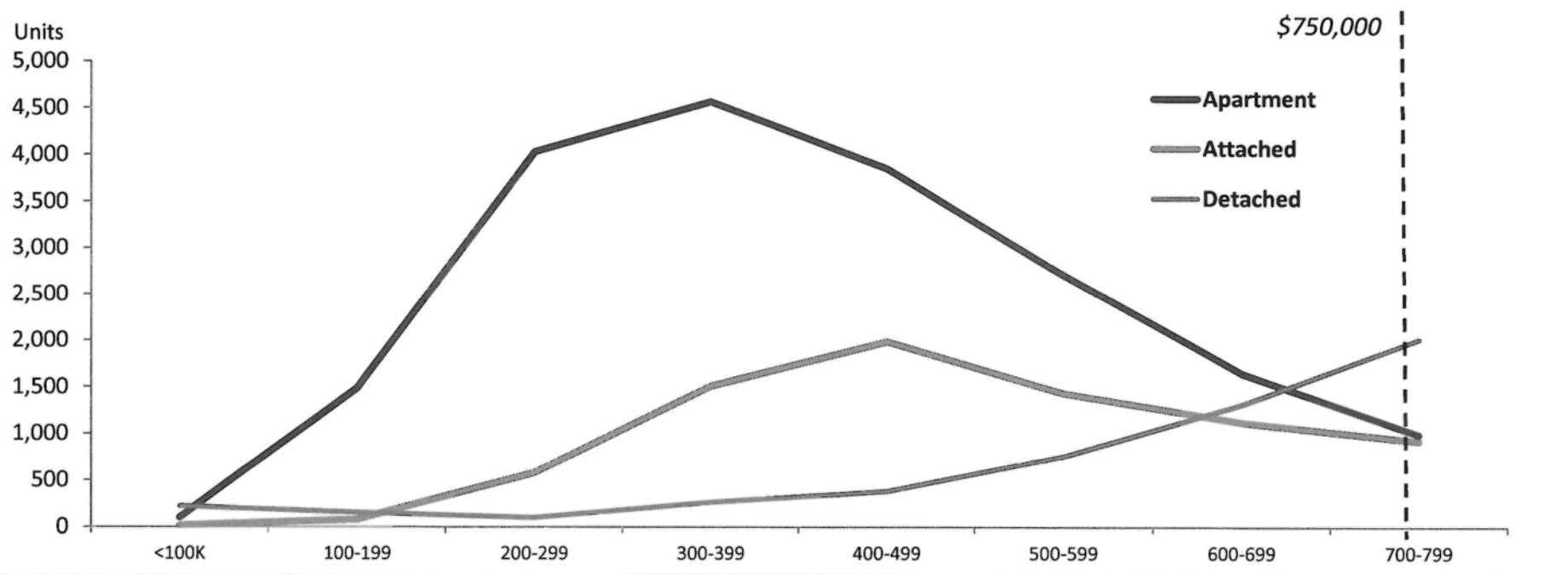


Source: REBGV, FVREB, BCREA Economics



## Distribution of Homes in Metro Vancouver that could qualify for B.C. HOME Partnership program

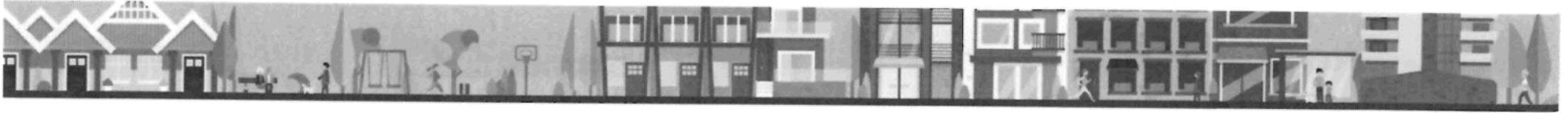
*MLS® Residential Sales by Product Type – Metro Vancouver 2016 (Jan-Nov)*



Price Range (\$)

B.C. HOME Partnership Program

Source: REBGV, FVREB, BCREA Economics



## **B.C. HOME Partnership Loan Examples**

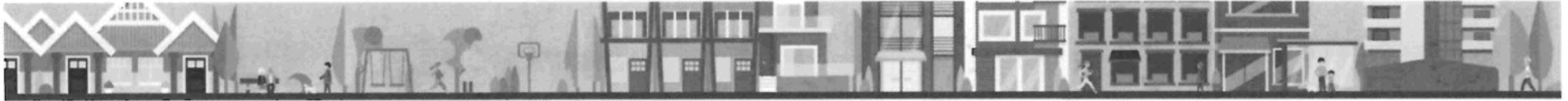
Example #1 – Home purchase price \$475,000, homebuyer has saved \$11,875

- Minimum down payment required for an insured first mortgage - \$23,750
- B.C. HOME Partnership loan - \$11,875 (equal to homebuyer's down payment, equal to 2.5% of purchase price)
- Total down payment - \$23,750

**B.C. HOME Partnership enabled this homebuyer to purchase their first home as they did not have the minimum down payment saved to qualify for an insured first mortgage.**



B.C. HOME Partnership Program



## **B.C. HOME Partnership Loan Examples**

**Example #2 – Home purchase price \$600,000, homebuyer has saved \$30,000**

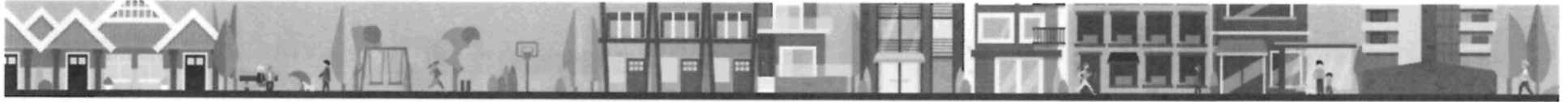
- Minimum down payment required for an insured first mortgage - \$35,000
- B.C. HOME Partnership Loan - \$30,000 (equal to homebuyer's down payment amount, equal to 5% of purchase price)
- Total down payment - \$60,000

**B.C. HOME Partnership enabled this homebuyer to purchase their first home as they did not have the minimum down payment saved to qualify for an insured first mortgage.**



B.C. HOME Partnership Program





## **B.C. HOME Partnership Loan Examples**

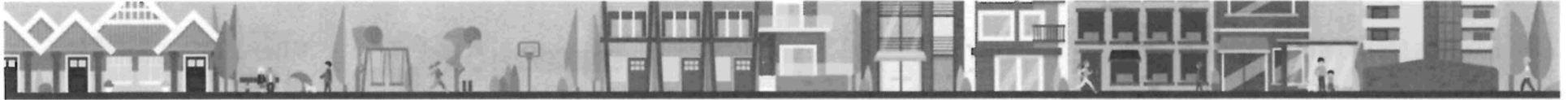
**Example #3 – Home purchase price \$750,000, homebuyer has saved \$52,500**

- Minimum down payment required for an insured first mortgage - \$50,000
- B.C. HOME Partnership Loan - \$37,500 (maximum 5% of purchase price)
- Total down payment - \$90,000

**At 3%, this homebuyer will save \$5,201 in interest payments during the first 5 years of their mortgage compared to if they had purchased the home without B.C. HOME Partnership .**



B.C. HOME Partnership Program



## B.C. Programs combine to benefit homebuyers

**Home purchase price: \$475,000**

First Time Home Buyer's exemption:  
*Property transfer tax savings: \$7,500*

B.C. HOME Partnership program:  
*Down payment loan up to: \$11,875*

B.C. HOME Partnership program  
loans are interest-free and  
payment-free for  
five years.



**Home purchase price: \$750,000**

Newly Built Home exemption:  
*Property transfer tax savings: \$13,000*

B.C. HOME Partnership program:  
*Down payment loan up to: \$37,500*

B.C. HOME Partnership program loans  
are interest-free and payment-free for  
five years.

**BC Housing estimates savings: \$5,200**



B.C. HOME Partnership Program



[Website](#) | [My Profile](#) | [Notifications](#)

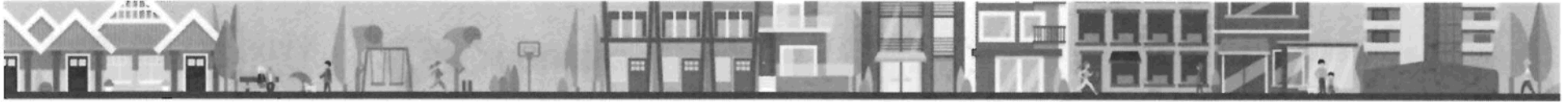
## Apply Online

Applicants register for a *MyBCHousing* account and complete their HOME Partnership applications online

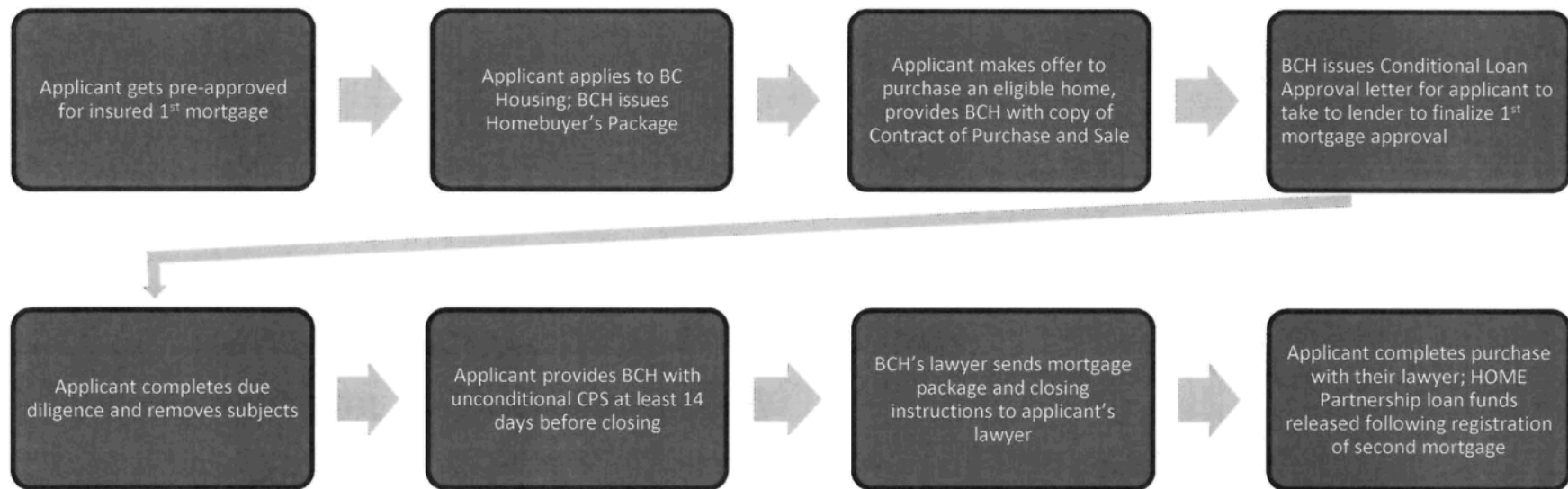
The screenshot shows a mobile app interface for MyBCHousing. At the top is a dark header with a 'MENU' icon and the 'MyBCHousing' logo. Below this is a section titled 'My BC Housing Account'. It contains two input fields: 'Email' and 'Password'. Below the password field is a dark 'Sign in' button. At the bottom of the form area are two links: 'I forgot my password' and 'Don't have an account? Create one now.'



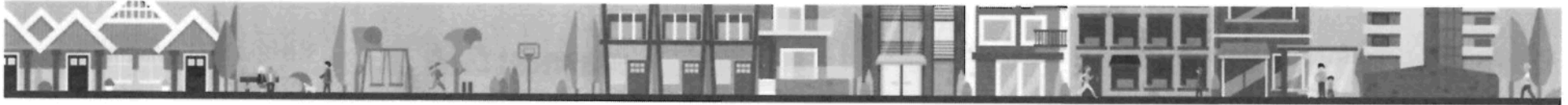
B.C. HOME Partnership Program



## Process



B.C. HOME Partnership Program



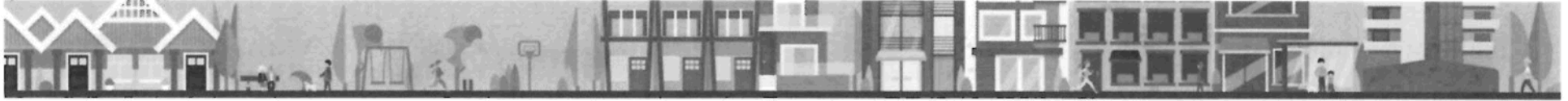
## Homebuyer's Package

Provided to homebuyer once they apply online and eligibility is confirmed

- Confirmation of eligibility letter highlighting key details and dates
- Homebuyer's Package - program overview and Homebuyer's Checklist
- Information and program overview for the professionals the homebuyer will work with:
  - Lender's Package
  - Real Estate licensee's Package
  - Lawyer/Notary Public's Package



B.C. HOME Partnership Program

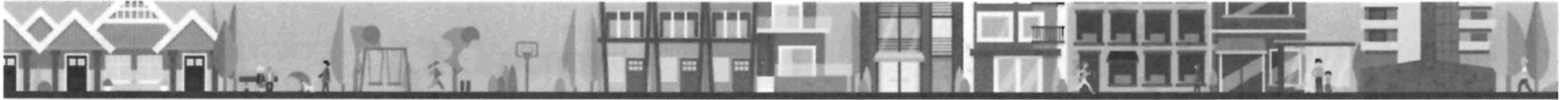


## HOME Partnership Loans

- Up to 25 year term, registered second mortgage
- Interest and payment free for the first five years
- Monthly principal and interest payments begin in year six, amortized over remaining 20 years
- Interest rate for years 6 to 10 set near first mortgage rate at time mortgage is registered
- Interest rate reset to near first mortgage rate at years 10, 15 and 20
- Homeowner may repay in full or in part at anytime without penalty



B.C. HOME Partnership Program

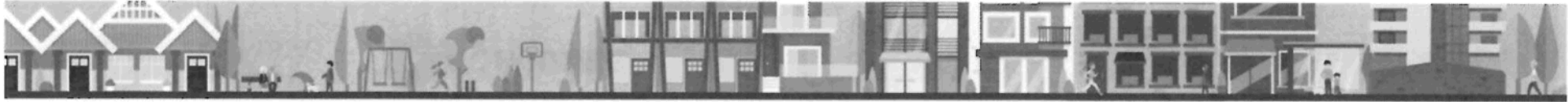


## HOME Partnership Loans

- Due and payable in full upon:
  - The home ceasing to be the principal residence in the first five years
  - Default on the first mortgage
  - Sale of home or change of ownership (adding anyone to title)
  - Any other default on the HOME Partnership second mortgage



B.C. HOME Partnership Program



# Forecast HOME Partnership Loans

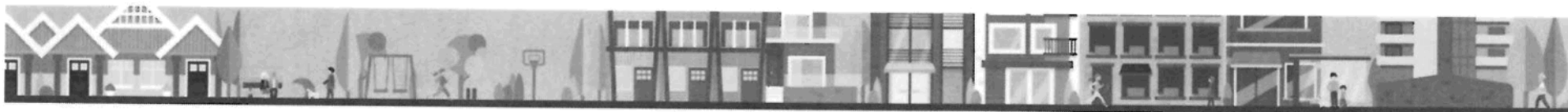
	2016/17	2017/18	2018/19	2019/20	Total
New Loans Issued (number)	2,778	11,110	13,110	15,110	42,108
New Loans Issued (\$ millions)	47	185	219	252	703

Estimated Average Loan Amount : \$16,685



B.C. HOME Partnership Program





# Questions?



BRITISH  
COLUMBIA



BC HOUSING

B.C. HOME Partnership Program

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## BC HOME Partnership Questions and Answers December 12, 2016

### **Program Overview and Design**

#### **1. What is the BC HOME Partnership program?**

The B.C. Home Owner Mortgage and Equity Partnership (HOME Partnership) program partners with first-time homebuyers by contributing to the amount they've already saved for their down payment with a 25-year mortgage loan of up to 5% of the home's purchase price. Eligible first-time buyers must have saved a down payment amount at least equal to the loan amount for which they applied.

The loan is interest-free and payment for the first five years if the home remains the buyer's principal residence. The maximum loan amount of \$37,500 is based on a home purchase price of \$750,000. Through the program, the Province is providing about \$703 million in loans over the next three years (starting Feb. 15, 2017) to help an estimated 42,000 B.C. households enter the market for the first time.

#### **2. What are the BC HOME Partnership program's benefits?**

Saving for a mortgage down payment can be hard for first-time homebuyers. As the first five years are interest- and payment-free, the program partners with first-time buyers to help them enter the housing market and help make homeownership more affordable.

#### **3. When does this program begin?**

Applications will be accepted starting Jan. 16, 2017, for purchases that close on or after Feb. 15, 2017.

#### **4. How long will this program run?**

The program will run from Jan. 16, 2017 until March 31, 2020.

#### **5. Is the program available throughout the province?**

Yes, the partnership program will assist first-time British Columbia homebuyers province-wide. The \$750,000 threshold was chosen so that first-time buyers will be able to find a property, regardless of which region of the province they choose to buy and live in.

#### **6. How many home buyers are expected to be assisted through the program?**

Over the next three years, the program will partner with about 42,000 B.C. households to help them enter the market for the first time.

#### **7. How is this number of loans calculated?**

The estimated demand for the program was based on the number of first-time home buyers purchasing homes in B.C. using CMHC insured first mortgages in recent years.

#### **8. Who manages the program?**

BC Housing will manage the program.

#### **9. Is there a limit to how many loans will be given each year?**

There is no limit to the number of loans approved in any given year.

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**10. How does this program help potential homebuyers with affordability? It sounds like it's designed for people who already qualify for mortgages and doesn't help anyone get into the market.**

This program is designed to partner with first-time homebuyers who can afford the costs of home ownership but are having trouble saving the required down payment. The program also helps first-time homebuyers during the first five years when the costs of home ownership are often the most challenging. In many areas of the province, the average home can cost \$400,000 or \$500,000. Saving the required minimum down payment of \$20,000 or \$25,000 can be difficult for many people.

**11. Shouldn't the government focus on helping the homeless and people with lower incomes?**

Since 2001, we have invested \$4.9 billion to provide affordable housing for low income individuals, seniors and families. More than 104,000 B.C. households benefit from a diverse range of provincial housing programs and services.

The Province provides more than \$70 million to fund close to 2,000 permanent, year-round shelter beds in B.C., more than double the number of beds that were available in 2001.

This year, we've committed to investing \$855 million to support the creation of 4,900 units of affordable rental housing. These units are specifically designated for low- to moderate-income renters, adults with developmental disabilities, youth aging out of care, seniors, students, women and children fleeing abuse, and First Nations.

**12. Why aren't you doing anything about growing waitlists for subsidized housing?**

BC Housing manages the Housing Registry, a membership-based database used to manage and prioritize applications for social housing. Many of the people with an application in the registry are already housed, but in housing that doesn't meet their current needs.

The registry is not a waitlist. When someone applies to the registry, they are offered housing based on need. When a unit becomes available, a number of variables are considered:

- Women who have left a violent relationship receive priority placement.
- Health concerns may necessitate a specific type of unit to address the individual's needs.
- Stability of current accommodation – for example a family living in shared accommodations or a family of four in a cramped apartment.

**13. Why are you announcing this program now? Hasn't the federal government tried to limit the amount of debt people can take on? Does this program encourage people to take on more debt than they can afford?**

Both the federal and the provincial governments want a stable housing market that is affordable to ordinary Canadians. The recent federal announcements affecting mortgages and the Province's foreign buyer property transfer tax are designed to respond to an overheated housing market.

The Province has already announced measures to increase the supply of affordable rental housing, and encourage construction of new market housing valued up to \$750,000 through the Newly Built home exemption from property transfer tax. The BC HOME Partnership program is

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designed to help first-time buyers realize their dream of homeownership and have the opportunity to raise their families and in homes they own.

### **14. Isn't the basic premise of this program contrary to the direction of the federal government's recent changes to mortgage applications aimed at tightening restrictions on obtaining mortgages?**

This program is complementary to recent federal changes to mortgage loan insurance. Those rules are designed to make sure homebuyers can afford their mortgage payments both today and in the future when they must renew their mortgage at a potentially higher interest rate. Under the BC HOME Partnership program, a first time home buyer must first qualify for an insured high-ratio mortgage under the new rules and can then receive assistance with their down payment.

The BC HOME Partnership program supports affordability because there are no monthly payments or interest charges for the first five years the buyer lives in the home.

### **15. Why is the program only available to people who have been Canadian citizens or permanent residents for at least five years, and lived in B.C. for at least one year?**

We heard British Columbia's first-time buyers when they told us they want their government to help them access the housing market, so they can build a secure and stable future for themselves and their families.

The Province has a number of programs aimed at making housing more affordable, and not every program is right for every person. Other programs helping home buyers and homeowners include the First Time Home Buyers program, the Newly Built Homes exemption, the home owner grant, and property tax deferment.

This year, we've committed to investing \$855 million to support the creation of 4,900 units of affordable rental housing. These units are specifically designated for low- to moderate-income renters, adults with developmental disabilities, youth aging out of care, seniors, students, women and children fleeing abuse, and First Nations.

### **16. Why is there a maximum household income of \$150,000?**

This partnership program is aimed at first-time buyers who are in a position to enter the market, but need a little help gathering the down payment required for a mortgage. The household income threshold helps ensure the program helps those who need it most. To raise a first insured mortgage on a property priced at \$750,000, buyers need an income of at least \$150,000.

### **17. Why is the maximum purchase price set at \$750,000?**

This partnership program is designed to help first-time buyers across the province, whether they live in Prince George or Surrey. Home prices can vary greatly in different regions across B.C., and we wanted to make sure the support that's available is enough to help a first-time buyer enter the market, regardless of which community they live in. To raise a first insured mortgage on a property priced at \$750,000, buyers need an income of at least \$150,000.

### **18. How will you ensure the program isn't used to help speculators?**

The partnership program is only available to first-time buyers and the home must be used as the buyer's principal residence for the first five years. Buyers will also need to pay a premium for mortgage insurance, discouraging short-term ownership. If the home is sold, the entire loan must be repaid immediately.

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## **19. What about condo presales?**

People who want to purchase a presale condo are encouraged to apply to the BC HOME Partnership program. They can confirm that they are eligible for the program and will qualify for down payment assistance when the time comes to complete the purchase of their new condo. For presales that occur long before the completion of the home, first time home buyers will need to reconfirm their eligibility every six months. All completions under the program must occur before the program's end date of March 31, 2020.

During the presale period, any payment of deposits will be the responsibility of the purchaser. Once the condo is complete and title has transferred, the Province will advance the partnership loan.

## **BC HOME Partnership program Funding Source**

### **20. How much money is being invested in this program?**

The Province estimates the program will cost a total of \$836 million over the next three years, with about \$703 million in partnership loans advanced to help about 42,000 households enter the market between Feb. 15, 2017, and March 31, 2020. The funding is expected to come from the new Housing Priority Initiatives Special Account created this year.

### **21. Where does the money for the Housing Priority Initiatives Special Account come from?**

The Special Account is mainly funded from Property Transfer Tax revenue. Government will transfer Property Transfer Tax revenue into the special account as necessary to fund housing initiatives.

### **22. How much money is currently in the Housing Priority Initiatives Special Account?**

This Special Account was established with an inaugural balance of \$75 million. An additional \$500 million of Property Transfer Tax revenue has been transferred this year to support BC Housing's investment in 2,900 units of affordable rental housing projects (as recently announced).

### **23. Is the \$500 million also going to fund the BC HOME Partnership program or is additional cash required?**

The \$500 million has been dedicated towards the Investment in Housing Innovation initiative announced earlier. Depending on the timing of actual cash flow needs for the program, additional transfer of Property Transfer Tax revenue will be set aside as needed to ensure that enough resources are available in the HPI Special Account for this program.

### **24. Is there an estimate as to how much the Housing Priority Initiatives Special Account is expected to grow annually, based on its current revenue streams?**

Funding doesn't automatically flow into the Special Account. Government will transfer appropriate amounts of Property Transfer Tax revenue as necessary to fund priority housing initiatives.

### **25. What if the Housing Priority Initiatives Special Account is depleted?**

The Special Account was started with an inaugural starting balance of \$75 million and government can transfer portions of Property Transfer Tax revenue as necessary to fund housing initiatives. It is highly unlikely that there will ever be no Property Transfer Tax revenue

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in the foreseeable future. As well, under the legislation the Special Account can also earn other forms of revenue from various housing-related activities.

**26. Do you expect the Housing Priority Initiatives Special Account to continue funding these types of initiatives?**

The Special Account was established for that very purpose.

**27. What do you expect the fiscal impact to the Province of the partnership program to be over the next three years?**

We expect that the new partnership program will result in two basic effects on the government's finances:

1. Overall spending will increase \$133 million (from Jan. 16, 2017 until March 31, 2020). Costs include grant expenses to reflect the interest-free component of the program loans, plus a modest amount of administration costs.
2. About \$703 million will be disbursed as direct advances in support of homebuyer mortgage down payments. While BC Housing will be holding 2<sup>nd</sup> mortgage loans, this means that less surplus cash resources will be available each year to reduce taxpayer-supported debt as long as the loans remain outstanding.

### **Partnership Loan/Financing**

**28. How does the partnership loan work?**

The partnership loan will contribute to the cash down payment provided by the applicant, up to a maximum of 5% of the purchase price (the maximum purchase price is \$750,000 and thus the maximum partnership loan is \$37,500). Eligible first-time buyers must have saved a down payment amount at least equal to the loan amount for which they applied. The combined cash down payment and partnership loan must meet the minimum down payment requirements to qualify for an insured residential first mortgage for the home and be equal to or less than 20% of the purchase price.

Repayment details:

- Year 0-5 – payment and interest free
- Year 6-25 – monthly repayments at market interest rate

**29. What is the interest on the loan?**

The partnership loan is payment- and interest-free for the first five years, and then for year 6-25 of the mortgage, market interest rates apply. The interest rate will be the Royal Bank of Canada prime rate plus 0.5% (RBC prime rate is currently 2.7% and thus the interest rate would be 3.2% at present).

**30. Are these loans from BC Housing registered on title as a second mortgage?**

Yes

**31. Does the initial mortgage term need to be a five-year term or can an applicant choose a different term (e.g. a 3-year term)?**

The homebuyer can choose the term for their first mortgage. The partnership mortgage will have a 25-year term. The loan is interest-free and payment-free for the first five years. Interest and payments are required in years 6-25. The interest rate will be reset every five years at year 10, 15 and 20 at the Royal Bank of Canada prime rate plus 0.5% (RBC prime rate is currently 2.7% and thus the interest rate on the partnership loan would be 3.2% at present).



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**32. Is BC Housing still involved if an applicant pays the partnership loan in full, before or at the end of the initial five year term?**

No. The mortgage will be discharged once the partnership loan is repaid in full.

**33. How are the legal costs involved in the loan managed?**

A legal services fee will be added to the total partnership loan amount, and will be disclosed to the applicants at the time of loan approval. The homebuyer is also responsible for any additional fees charged by their own lawyer/notary for their role in the partnership process.

**34. Does the cash down payment need to come from the applicants, or can it be gifted from parents, for example?**

The partnership program will contribute to the down payment accepted by the first mortgage lender. Talk to your mortgage broker about lenders' rules regarding the source of funds used for a down payment.

**35. What happens if a homeowner defaults on a loan and declares bankruptcy?**

Given that buyers will need to qualify for an insured first mortgage, which involves an assessment of their household income, existing debt, and ability to pay their mortgage, we expect defaults to be extremely rare. However, in the event of a homeowner defaulting on the loan, either lender can initiate foreclosure proceedings. The first mortgage is paid out first, followed by the partnership loan, which is registered as a second mortgage.

**36. Were financial institutions consulted on this program?**

Yes. BC Housing has consulted with CMHC and financial institutions. The program is compliant with all federal rules related to mortgage eligibility.

**37. Is there a penalty for paying the loan off before the end of the 10 years?**

Partnership loans can be repaid at any time without penalty and extra payments on principal can also be made at any time without penalty.

**38. Does the loan have to be repaid if the buyer refinances after five years with an uninsured first mortgage?**

Homeowners can renew their insured first mortgage as required at the end of each term. However, the new mortgage loan insurance rules do not allow the homeowner to increase the amount of their first mortgage or to lengthen the amortization period. BC Housing will not permit any further encumbrance of the property before the HOME Partnership Loan is repaid.

**39. Is the interest-free loan considered a taxable benefit for income tax purposes?**

Buyers should consult their tax advisors or the Canada Revenue Agency.

### **Eligibility Requirements**

**40. What criteria must home buyers meet to qualify for partnership assistance?**

To qualify for a partnership loan, all individuals who will have a registered interest on the title of the home must be included on the application and meet all of the following eligibility requirements:

- Have been a Canadian citizen or permanent resident for at least five years.

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- Have resided in British Columbia for at least one year immediately preceding the date of application under the program.
- Be a first-time home buyer who has not owned an interest in a residence anywhere in the world at any time (and has never received a first-time homebuyers' exemption or refund).
- The home being purchased will only be used as their principal residence for the first 5 years. (Principal Residence is defined as the home that is designated (and is eligible to be designated) as the owner's principal residence for tax purposes, and where all persons registered on title live permanently in a self-contained unit with access to all living facilities at all times to conduct their daily activities (such as: cooking, sleeping, and bathroom).
- Purchase a home that is \$750,000 or less.
- The combined, gross household income of all individuals on title must not exceed \$150,000.
- Show proof of pre-approval for an insured high-ratio first mortgage (mortgage down payment is less than 20% of the home price).

### **41. Is proof of Canadian citizenship and/or permanent resident status required?**

Yes, passports, birth certificates and permanent residency cards are acceptable documentation.

### **42. How will the principal residence requirement be monitored?**

Partnership loan recipients may be required to provide an annual declaration and proof of continued principal residency.

Principal Residence is defined as the home that is designated (and is eligible to be designated) as the owner's principal residence for tax purposes, and where all persons registered on title live permanently in a self-contained unit with access to all living facilities at all times to conduct their daily activities (such as: cooking, sleeping, and bathroom).

### **43. What steps would you take if someone is found have lied on their application, or breaks the rules after buying the home?**

If any information provided by the loan recipient is proven to be false, that would constitute a default under their mortgage and the loan would become due and payable.

### **44. Does the gross household income limit of all individuals on title include rental income from a suite, if applicable?**

This program is for first time home owners. Someone with rental income from a property they already own is not eligible for the program. However, anyone who qualifies for the program and then decides to rent out part of the home they purchase through the program is allowed to do so, provided that the home remains to be their principal residence for the first five years.

### **45. Can loan recipients have tenants in their homes?**

The home buyer can rent out secondary suites or bedrooms as long as they also use the property as their principal residence in the first five years. If the home is not used as the home buyer's principal residence, immediate repayment of the loan is triggered.

### **46. What type of home is eligible to be purchased under the program?**

The following type of home is eligible:

- Legal, self-contained, mortgageable residence located in British Columbia.



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- The home must serve as the applicant's principal residence. Seasonal/recreational properties are not eligible.
- Purchase price must not exceed \$750,000.

### **Application Details**

#### **47. How do people apply?**

Applications will be accepted online via the BC Housing website (Link to application portal).

#### **48. Do prospective home buyers need to approach their financial institution/lender prior to applying for the loan through BC Housing?**

Yes. Applicants must obtain confirmation from a National Housing Act approved lender confirming they are pre-approved for an insured residential mortgage prior to submitting their application.

#### **49. How will home buyers who apply be selected?**

All completed applications will be assessed for eligibility.

#### **50. How will home buyers receiving partnership loan funding know what steps they need to take?**

After home buyers have applied online and been approved by BC Housing, they will be provided with a Home Buyer's Package containing:

- Confirmation of eligibility
- Detailed program information and buyer's checklist
- Information to provide to their lender, real estate agent and lawyer/notary

#### **51. How long will it take for BC Housing to review and approve applications?**

BC Housing's online application system will provide a decision on complete applications within five business days in most circumstances.

#### **52. When will the money be advanced?**

The partnership loan funds will be advanced at the closing date, when the first and second mortgages are registered and new title is established.

### **Housing Market Questions**

#### **53. What happens when the home buyer sells the property?**

If the home is sold before the partnership loan is repaid, the homeowner must repay the loan at the time of change in ownership.

#### **52. Is it true that millennials are moving away from Vancouver because of high housing prices?**

This is a myth. The BC Real Estate Association reports millennials are actually the most populous age group in the City of Vancouver today, and the rate of home ownership for younger households has increased significantly during the last two census periods. More info:

<http://www.bcrea.bc.ca/docs/economics-forecasts-and-presentations/myth-of-the-retreating-millennial.pdf>

#### **53. Are there any resale restrictions for the home buyer?**

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No. Any outstanding partnership loan amount must be repaid upon sale, and the mortgage will be discharged from title.

### **54. What happens when the home is sold – both within five years or purchase, and after?**

If the home is sold before five years (or residence is no longer the owner's principal residence), only the mortgage principle is repayable in full.

If the home is sold after five years, then any remaining mortgage principle plus accumulated interest to that date is repayable.

### **55. What happens if house prices decline when a homeowner needs to sell?**

A sharp market correction that could reduce the value of homes beyond the equity buyers will have from their own down payment contribution is unlikely in the current economic environment. However, the partnership loan must be repaid regardless of house prices.

The CMHC's rules are designed to protect the housing market against the risk of a market correction and help ensure that people aren't taking on more debt than they can afford. The BC HOME Partnership program supports affordability because there are no monthly payments or interest charges for the first five years the buyer lives in the home. The homebuyer still needs to qualify for an insured first mortgage. This means their lender will have assessed their ability to carry the mortgage based on their household income, other debt and the home's purchase price.

### **56. What happens if there are significant increases to interest rates?**

If buyers remain in their homes for five years, there is no interest to be paid. After five years, partnership loans will be charged interest based on prevailing market rates, with the homebuyer responsible for those costs.

Economists predict sudden significant increases to interest rates are unlikely, although gradual rate increases by the Bank of Canada are to be expected as the Canadian economy improves. The CMHC's rules are designed to protect the housing market against the risk of a market correction and ensure that people aren't taking on more debt than they can afford. The BC HOME Partnership program supports affordability because there are no monthly payments or interest charges for the first five years the buyer lives in the home. The homebuyer still needs to qualify for an insured first mortgage. This means their lender will have assessed their ability to carry the mortgage based on their household income, other debt and the home's purchase price.

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### 57. What is the average home price in cities throughout the province?

Average home prices vary in the different regions of the province. The \$750,000 threshold was chosen to help ensure that first-time buyers will be able to find a property regardless of where they live in the province.

Residential Area	MLS average price (dollars)			MLS Median price (dollars)		
	Single-family	Apartment	Townhome	Single-family	Apartment	Townhome
Abbotsford	\$ 677,809	\$ 358,994	\$ 218,076	\$ 614,500	\$ 363,800	\$ 194,700
Mission	\$ 537,500	\$ 315,000	\$ 208,000	\$ 580,918	\$ 314,414	\$ 242,417
Victoria	\$ 810,792	\$ 393,901	\$ 509,965	\$ 666,000	\$ 327,750	\$ 430,000
Nanaimo	\$ 502,056	\$ 306,922	\$ 271,309	\$ 427,500	\$ 299,089	\$ 237,500
Parksville	\$ 579,326	\$ 338,759	\$ 189,929	\$ 451,000	\$ 342,000	\$ 159,000
Cowichan Valley	\$ 457,130	\$ 282,483	\$ 178,644	\$ 400,500	\$ 297,950	\$ 148,000
Campbell River	\$ 386,700	\$ 273,137	\$ 150,761	\$ 345,000	\$ 263,000	\$ 141,500
Port Alberni	\$ 322,507	\$ 155,375	\$ 88,000	\$ 269,900	\$ 112,250	\$ 88,000
Fort St. John	\$ 409,657	n/a	\$ 312,400	\$ 360,000	n/a	\$ 312,400
Prince Rupert	\$ 256,821	n/a	\$ 89,250	\$ 271,000	n/a	\$ 89,500

Source: CREA

Note: Data is most recent available up to October 2016

MLS benchmark prices (November 2016) are as follows according to local real estate boards:

Community	Condo	Townhome	Single-family detached home
Greater Vancouver	\$512,100	\$667,100	\$1,511,100
Greater Victoria	\$371,300	\$501,300	\$620,100
South Okanagan*	\$200,595	\$288,275	\$432,449
Fraser Valley	\$258,600	\$424,300	\$860,800

#### Sources:

Greater Vancouver: <http://www.rebgv.org/monthly-reports?month=November&year=2016>

Greater Victoria: <http://www.vreb.org/pdf/VREBNewsReleaseFull.pdf>

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\*(Average price) South Okanagan:

[http://www.soreb.org/includes/South\\_Okanagan/stats/2016/NOV16/NOV16SO.pdf](http://www.soreb.org/includes/South_Okanagan/stats/2016/NOV16/NOV16SO.pdf)

Fraser Valley: <http://www.fvreb.bc.ca/statistics/Package201611.pdf>

According to the Canadian Real Estate Association, the average price of a home sold in October 2016 was:

- BC Northern: \$265,459 - <http://creastats.crea.ca/cari/>
- Kamloops and District: \$362,352 - <http://creastats.crea.ca/kaml/>
- Chilliwack and District: \$417,242 - <http://creastats.crea.ca/chil/>
- Kootenay: \$290,183 - <http://creastats.crea.ca/koot/>

### 58. What is the average household income in BC?

Here is an example of average household incomes in a sample of BC cities.

City	Average Household Income, 2010
Vancouver	\$80,460
Kelowna	\$74,975
Nanaimo	\$64,189
Surrey	\$82,789
Prince George	\$74,833

Source: National Household Survey 2011, Statistics Canada

Note: More recent data will be available in September 2017.

## **Barnetson, Luella MNGD:EX**

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**From:** Woolley, Paul GCPE:EX  
**Sent:** Wednesday, December 14, 2016 5:49 PM  
**To:** Diacu, Raz MNGD:EX; Hirji, Keivan MNGD:EX  
**Cc:** Harbord, Darren GCPE:EX; Ash, Christine GCPE:EX; Beaupre, Darren GCPE:EX; Platts, Robin GCPE:EX; Barnetson, Luella MNGD:EX; Giles, Alison GCPE:EX  
**Subject:** Fw: Docs - 530PM  
**Attachments:** HOME Partnership\_MLA Kit KM-QA\_13Dec16\_16.docx; 2016PREM0153-002759.pdf; GPE16-031\_Housing Campaign\_HOME\_8.5x11 (1).pdf; HousingDownpayment\_TechBrief\_PPT\_C - Dec 13 - 7PM.PPTX; HOME Partnership\_ConsolidatedQA\_Dec12\_DRAFT\_CLEAN.docx

**Importance:** High

**Categories:** Y Docs

Sent from my BlackBerry 10 smartphone on the TELUS network.

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**From:** Edwardson, Jamie GCPE:EX <[Jamie.Edwardson@gov.bc.ca](mailto:Jamie.Edwardson@gov.bc.ca)>  
**Sent:** Wednesday, December 14, 2016 5:35 PM  
**To:** Fraser, John Paul GCPE:EX; Wolford, Jessica GCPE:EX; Woolley, Paul GCPE:EX  
**Cc:** Dila, Mary GCPE:EX; Ozawa, Hide GCPE:EX  
**Subject:** FW: Docs - 530PM

Fixes some language in the master Q/A.

s.22 so pls call if there are issues. I might not see a text immediately.

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**From:** Edwardson, Jamie GCPE:EX  
**Sent:** Wednesday, December 14, 2016 5:03 PM  
**To:** Wolford, Jessica GCPE:EX; Fraser, John Paul GCPE:EX; Woolley, Paul GCPE:EX  
**Cc:** Ozawa, Hide GCPE:EX; Dila, Mary GCPE:EX  
**Subject:** Docs - 5PM  
**Importance:** High

Jamie Edwardson  
Communications Director | Ministry of Finance | Province of British Columbia  
P: (250) 356-2821 | M: (250) 888-0021 | [jamie.edwardson@gov.bc.ca](mailto:jamie.edwardson@gov.bc.ca)

**MLA Kit – BC Home Owner Mortgage and Equity Partnership**  
**Dec. 13, 2016**

**Key Messages:**

- If you're entering the market to buy your first home, the B.C. government is launching a new program to partner with you on the down payment for your mortgage.
- Through the B.C. Home Owner Mortgage and Equity Partnership (B.C. HOME Partnership) program, the Province is investing about \$703 million over the next three years to help an estimated 42,000 B.C. households enter the market for the first time.
- The B.C. HOME Partnership program contributes to the amount first-time homebuyers have already saved for their down payment, providing up to \$37,500, or 5% of the purchase price, with a 25-year loan that is interest-free and payment-free for the first five years.
- Saving for a down payment can be hard for first-time buyers. As the first five years are interest- and payment-free, the program partners with first-time buyers to help them enter the housing market and help make homeownership more affordable.
- After the first five years, homebuyers begin making monthly payments at current interest rates.
- Ensuring the dream of home ownership remains within reach is a key part of our approach to housing affordability, along with increasing housing supply; smart transit expansion; supporting first-time home buyers; ensuring consumer protection; and increasing rental supply.

**Questions and Answers:**

**1. What is the B.C. HOME Partnership program?**

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Yes, the B.C. HOME Partnership program will assist first-time British Columbia homebuyers province-wide. The \$750,000 threshold was chosen so that first-time buyers will be able to find a property, regardless of which region of the province they choose to buy and live in.

**6. How does the partnership loan work?**

The B.C. HOME Partnership program loan will contribute to the cash down payment provided by the applicant, up to a maximum of 5% of the purchase price (the maximum purchase price is \$750,000 and thus the maximum loan is \$37,500). Eligible first-time buyers must have saved a down payment amount at least equal to the loan amount for which they applied.

The combined cash down payment and partnership loan must meet the minimum down payment requirements to qualify for an insured residential first mortgage for the home and be equal to or less than 20% of the purchase price.

Repayment details:

- Year 0-5 – payment and interest free
- Year 6-25 – monthly repayments at market interest rate

**7. How does this program help potential homebuyers with affordability?**

This program is designed to partner with first-time homebuyers who can afford the costs of home ownership but are having trouble saving the required down payment. The program also helps first-time homebuyers during the first five years when the costs of home ownership are often the most challenging. In many areas of the province, the average home can cost \$400,000 or \$500,000. Saving the required minimum down payment of \$20,000 or \$25,000 can be difficult for many people.

**8. How else are you helping British Columbians with housing affordability?**

We heard British Columbia's first-time buyers when they told us they want their government to help them access the housing market, so they can build a secure and stable future for themselves and their families.

The Province has a number of programs aimed at making housing more affordable, and not every program is right for every person. Other programs helping home buyers and homeowners include the First Time Home Buyers program, the Newly Built Homes exemption, the home owner grant, and property tax deferment.

This year, we've committed to investing \$855 million to support the creation of 4,900 units of affordable rental housing. These units are specifically designated for low- to moderate-income renters, adults with developmental disabilities, youth aging out of care, seniors, students, women and children fleeing abuse, and First Nations.

**9. What criteria must home buyers meet to qualify for partnership assistance?**

To qualify for a partnership loan, all individuals who will have a registered interest on the title of the home must be included on the application and meet all of the following eligibility requirements:

- Have been a Canadian citizen or permanent resident for at least five years.
- Have resided in British Columbia for at least one year immediately preceding the date of their application.



- Be a first-time home buyer who has not owned an interest in a residence anywhere in the world at any time (and has never received a first-time homebuyers' exemption or refund).
- The home being purchased will only be used as their principal residence for the first 5 years. (Principal Residence is defined as the home that is designated (and is eligible to be designated) as the owner's principal residence for tax purposes, and where all persons registered on title live permanently in a self-contained unit with access to all living facilities at all times to conduct their daily activities (such as: cooking, sleeping, and bathroom).
- Purchase a home that is \$750,000 or less.
- The combined, gross household income of all individuals on title must not exceed \$150,000.
- Show proof of pre-approval for an insured high-ratio first mortgage (mortgage down payment is less than 20% of the home price).

#### 10. What is the average home price in cities throughout the province?

Average home prices vary in the different regions of the province. The \$750,000 threshold was chosen to help ensure that first-time buyers will be able to find a property regardless of where they live in the province.

MLS benchmark prices (November 2016) are as follows according to local real estate boards:

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Source: CREA

Note: Data is most recent available up to October 2016

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## BC HOME Partnership Questions and Answers December 12, 2016

### Program Overview and Design

#### **1. What is the BC HOME Partnership program?**

The B.C. Home Owner Mortgage and Equity Partnership (HOME Partnership) program partners with first-time homebuyers by contributing to the amount they've already saved for their down payment with a 25-year mortgage loan of up to 5% of the home's purchase price. Eligible first-time buyers must have saved a down payment amount at least equal to the loan amount for which they applied.

The loan is interest-free and payment for the first five years if the home remains the buyer's principal residence. The maximum loan amount of \$37,500 is based on a home purchase price of \$750,000. Through the program, the Province is providing about \$703 million in loans over the next three years (starting Feb. 15, 2017) to help an estimated 42,000 B.C. households enter the market for the first time.

#### **2. What are the BC HOME Partnership program's benefits?**

Saving for a mortgage down payment can be hard for first-time homebuyers. As the first five years are interest- and payment-free, the program partners with first-time buyers to help them enter the housing market and help make homeownership more affordable.

#### **3. When does this program begin?**

Applications will be accepted starting Jan. 16, 2017, for purchases that close on or after Feb. 15, 2017.

#### **4. How long will this program run?**

The program will run from Jan. 16, 2017 until March 31, 2020.

#### **5. Is the program available throughout the province?**

Yes, the partnership program will assist first-time British Columbia homebuyers province-wide. The \$750,000 threshold was chosen so that first-time buyers will be able to find a property, regardless of which region of the province they choose to buy and live in.

#### **6. How many home buyers are expected to be assisted through the program?**

Over the next three years, the program will partner with about 42,000 B.C. households to help them enter the market for the first time.

#### **7. How is this number of loans calculated?**

The estimated demand for the program was based on the number of first-time home buyers purchasing homes in B.C. using CMHC insured first mortgages in recent years.

#### **8. Who manages the program?**

BC Housing will manage the program.

#### **9. Is there a limit to how many loans will be given each year?**

There is no limit to the number of loans approved in any given year.

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**10. How does this program help potential homebuyers with affordability? It sounds like it's designed for people who already qualify for mortgages and doesn't help anyone get into the market.**

This program is designed to partner with first-time homebuyers who can afford the costs of home ownership but are having trouble saving the required down payment. The program also helps first-time homebuyers during the first five years when the costs of home ownership are often the most challenging. In many areas of the province, the average home can cost \$400,000 or \$500,000. Saving the required minimum down payment of \$20,000 or \$25,000 can be difficult for many people.

**11. Shouldn't the government focus on helping the homeless and people with lower incomes?**

Since 2001, we have invested \$4.9 billion to provide affordable housing for low income individuals, seniors and families. More than 104,000 B.C. households benefit from a diverse range of provincial housing programs and services.

The Province provides more than \$70 million to fund close to 2,000 permanent, year-round shelter beds in B.C., more than double the number of beds that were available in 2001.

This year, we've committed to investing \$855 million to support the creation of 4,900 units of affordable rental housing. These units are specifically designated for low- to moderate-income renters, adults with developmental disabilities, youth aging out of care, seniors, students, women and children fleeing abuse, and First Nations.

**12. Why aren't you doing anything about growing waitlists for subsidized housing?**

BC Housing manages the Housing Registry, a membership-based database used to manage and prioritize applications for social housing. Many of the people with an application in the registry are already housed, but in housing that doesn't meet their current needs.

The registry is not a waitlist. When someone applies to the registry, they are offered housing based on need. When a unit becomes available, a number of variables are considered:

- Women who have left a violent relationship receive priority placement.
- Health concerns may necessitate a specific type of unit to address the individual's needs.
- Stability of current accommodation – for example a family living in shared accommodations or a family of four in a cramped apartment.

**13. Why are you announcing this program now? Hasn't the federal government tried to limit the amount of debt people can take on? Does this program encourage people to take on more debt than they can afford?**

Both the federal and the provincial governments want a stable housing market that is affordable to ordinary Canadians. The recent federal announcements affecting mortgages and the Province's foreign buyer property transfer tax are designed to respond to an overheated housing market.

The Province has already announced measures to increase the supply of affordable rental housing, and encourage construction of new market housing valued up to \$750,000 through the Newly Built home exemption from property transfer tax. The BC HOME Partnership program is

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designed to help first-time buyers realize their dream of homeownership and have the opportunity to raise their families and in homes they own.

## **14. Isn't the basic premise of this program contrary to the direction of the federal government's recent changes to mortgage applications aimed at tightening restrictions on obtaining mortgages?**

This program is complementary to recent federal changes to mortgage loan insurance. Those rules are designed to make sure homebuyers can afford their mortgage payments both today and in the future when they must renew their mortgage at a potentially higher interest rate. Under the BC HOME Partnership program, a first time home buyer must first qualify for an insured high-ratio mortgage under the new rules and can then receive assistance with their down payment.

The BC HOME Partnership program supports affordability because there are no monthly payments or interest charges for the first five years the buyer lives in the home.

## **15. Why is the program only available to people who have been Canadian citizens or permanent residents for at least five years, and lived in B.C. for at least one year?**

We heard British Columbia's first-time buyers when they told us they want their government to help them access the housing market, so they can build a secure and stable future for themselves and their families.

The Province has a number of programs aimed at making housing more affordable, and not every program is right for every person. Other programs helping home buyers and homeowners include the First Time Home Buyers program, the Newly Built Homes exemption, the home owner grant, and property tax deferment.

This year, we've committed to investing \$855 million to support the creation of 4,900 units of affordable rental housing. These units are specifically designated for low- to moderate-income renters, adults with developmental disabilities, youth aging out of care, seniors, students, women and children fleeing abuse, and First Nations.

## **16. Why is there a maximum household income of \$150,000?**

This partnership program is aimed at first-time buyers who are in a position to enter the market, but need a little help gathering the down payment required for a mortgage. The household income threshold helps ensure the program helps those who need it most. To raise a first insured mortgage on a property priced at \$750,000, buyers need an income of at least \$150,000.

## **17. Why is the maximum purchase price set at \$750,000?**

This partnership program is designed to help first-time buyers across the province, whether they live in Prince George or Surrey. Home prices can vary greatly in different regions across B.C., and we wanted to make sure the support that's available is enough to help a first-time buyer enter the market, regardless of which community they live in. To raise a first insured mortgage on a property priced at \$750,000, buyers need an income of at least \$150,000.

## **18. How will you ensure the program isn't used to help speculators?**

The partnership program is only available to first-time buyers and the home must be used as the buyer's principal residence for the first five years. Buyers will also need to pay a premium for mortgage insurance, discouraging short-term ownership. If the home is sold, the entire loan must be repaid immediately.

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## **19. What about condo presales?**

People who want to purchase a presale condo are encouraged to apply to the BC HOME Partnership program. They can confirm that they are eligible for the program and will qualify for down payment assistance when the time comes to complete the purchase of their new condo. For presales that occur long before the completion of the home, first time home buyers will need to reconfirm their eligibility every six months. All completions under the program must occur before the program's end date of March 31, 2020.

During the presale period, any payment of deposits will be the responsibility of the purchaser. Once the condo is complete and title has transferred, the Province will advance the partnership loan.

## **BC HOME Partnership program Funding Source**

### **20. How much money is being invested in this program?**

The Province estimates the program will cost a total of \$836 million over the next three years, with about \$703 million in partnership loans advanced to help about 42,000 households enter the market between Feb. 15, 2017, and March 31, 2020. The funding is expected to come from the new Housing Priority Initiatives Special Account created this year.

### **21. Where does the money for the Housing Priority Initiatives Special Account come from?**

The Special Account is mainly funded from Property Transfer Tax revenue. Government will transfer Property Transfer Tax revenue into the special account as necessary to fund housing initiatives.

### **22. How much money is currently in the Housing Priority Initiatives Special Account?**

This Special Account was established with an inaugural balance of \$75 million. An additional \$500 million of Property Transfer Tax revenue has been transferred this year to support BC Housing's investment in 2,900 units of affordable rental housing projects (as recently announced).

### **23. Is the \$500 million also going to fund the BC HOME Partnership program or is additional cash required?**

The \$500 million has been dedicated towards the Investment in Housing Innovation initiative announced earlier. Depending on the timing of actual cash flow needs for the program, additional transfer of Property Transfer Tax revenue will be set aside as needed to ensure that enough resources are available in the HPI Special Account for this program.

### **24. Is there an estimate as to how much the Housing Priority Initiatives Special Account is expected to grow annually, based on its current revenue streams?**

Funding doesn't automatically flow into the Special Account. Government will transfer appropriate amounts of Property Transfer Tax revenue as necessary to fund priority housing initiatives.

### **25. What if the Housing Priority Initiatives Special Account is depleted?**

The Special Account was started with an inaugural starting balance of \$75 million and government can transfer portions of Property Transfer Tax revenue as necessary to fund housing initiatives. It is highly unlikely that there will ever be no Property Transfer Tax revenue

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in the foreseeable future. As well, under the legislation the Special Account can also earn other forms of revenue from various housing-related activities.

**26. Do you expect the Housing Priority Initiatives Special Account to continue funding these types of initiatives?**

The Special Account was established for that very purpose.

**27. What do you expect the fiscal impact to the Province of the partnership program to be over the next three years?**

We expect that the new partnership program will result in two basic effects on the government's finances:

1. Overall spending will increase \$133 million (from Jan. 16, 2017 until March 31, 2020). Costs include grant expenses to reflect the interest-free component of the program loans, plus a modest amount of administration costs.
2. About \$703 million will be disbursed as direct advances in support of homebuyer mortgage down payments. While BC Housing will be holding 2<sup>nd</sup> mortgage loans, this means that less surplus cash resources will be available each year to reduce taxpayer-supported debt as long as the loans remain outstanding.

### **Partnership Loan/Financing**

**28. How does the partnership loan work?**

The partnership loan will contribute to the cash down payment provided by the applicant, up to a maximum of 5% of the purchase price (the maximum purchase price is \$750,000 and thus the maximum partnership loan is \$37,500). Eligible first-time buyers must have saved a down payment amount at least equal to the loan amount for which they applied. The combined cash down payment and partnership loan must meet the minimum down payment requirements to qualify for an insured residential first mortgage for the home and be equal to or less than 20% of the purchase price.

Repayment details:

- Year 0-5 – payment and interest free
- Year 6-25 – monthly repayments at market interest rate

**29. What is the interest on the loan?**

The partnership loan is payment- and interest-free for the first five years, and then for year 6-25 of the mortgage, market interest rates apply. The interest rate will be the Royal Bank of Canada prime rate plus 0.5% (RBC prime rate is currently 2.7% and thus the interest rate would be 3.2% at present).

**30. Are these loans from BC Housing registered on title as a second mortgage?**

Yes

**31. Does the initial mortgage term need to be a five-year term or can an applicant choose a different term (e.g. a 3-year term)?**

The homebuyer can choose the term for their first mortgage. The partnership mortgage will have a 25-year term. The loan is interest-free and payment-free for the first five years. Interest and payments are required in years 6-25. The interest rate will be reset every five years at year 10, 15 and 20 at the Royal Bank of Canada prime rate plus 0.5% (RBC prime rate is currently 2.7% and thus the interest rate on the partnership loan would be 3.2% at present).



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**32. Is BC Housing still involved if an applicant pays the partnership loan in full, before or at the end of the initial five year term?**

No. The mortgage will be discharged once the partnership loan is repaid in full.

**33. How are the legal costs involved in the loan managed?**

A legal services fee will be added to the total partnership loan amount, and will be disclosed to the applicants at the time of loan approval. The homebuyer is also responsible for any additional fees charged by their own lawyer/notary for their role in the partnership process.

**34. Does the cash down payment need to come from the applicants, or can it be gifted from parents, for example?**

The partnership program will contribute to the down payment accepted by the first mortgage lender. Talk to your mortgage broker about lenders' rules regarding the source of funds used for a down payment.

**35. What happens if a homeowner defaults on a loan and declares bankruptcy?**

Given that buyers will need to qualify for an insured first mortgage, which involves an assessment of their household income, existing debt, and ability to pay their mortgage, we expect defaults to be extremely rare. However, in the event of a homeowner defaulting on the loan, either lender can initiate foreclosure proceedings. The first mortgage is paid out first, followed by the partnership loan, which is registered as a second mortgage.

**36. Were financial institutions consulted on this program?**

Yes. BC Housing has consulted with CMHC and financial institutions. The program is compliant with all federal rules related to mortgage eligibility.

**37. Is there a penalty for paying the loan off before the end of the 10 years?**

Partnership loans can be repaid at any time without penalty and extra payments on principal can also be made at any time without penalty.

**38. Does the loan have to be repaid if the buyer refinances after five years with an uninsured first mortgage?**

Homeowners can renew their insured first mortgage as required at the end of each term. However, the new mortgage loan insurance rules do not allow the homeowner to increase the amount of their first mortgage or to lengthen the amortization period. BC Housing will not permit any further encumbrance of the property before the HOME Partnership Loan is repaid.

**39. Is the interest-free loan considered a taxable benefit for income tax purposes?**

Buyers should consult their tax advisors or the Canada Revenue Agency.

### **Eligibility Requirements**

**40. What criteria must home buyers meet to qualify for partnership assistance?**

To qualify for a partnership loan, all individuals who will have a registered interest on the title of the home must be included on the application and meet all of the following eligibility requirements:

- Have been a Canadian citizen or permanent resident for at least five years.

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- Have resided in British Columbia for at least one year immediately preceding the date of application under the program.
- Be a first-time home buyer who has not owned an interest in a residence anywhere in the world at any time (and has never received a first-time homebuyers' exemption or refund).
- The home being purchased will only be used as their principal residence for the first 5 years. (Principal Residence is defined as the home that is designated (and is eligible to be designated) as the owner's principal residence for tax purposes, and where all persons registered on title live permanently in a self-contained unit with access to all living facilities at all times to conduct their daily activities (such as: cooking, sleeping, and bathroom).
- Purchase a home that is \$750,000 or less.
- The combined, gross household income of all individuals on title must not exceed \$150,000.
- Show proof of pre-approval for an insured high-ratio first mortgage (mortgage down payment is less than 20% of the home price).

### **41. Is proof of Canadian citizenship and/or permanent resident status required?**

Yes, passports, birth certificates and permanent residency cards are acceptable documentation.

### **42. How will the principal residence requirement be monitored?**

Partnership loan recipients may be required to provide an annual declaration and proof of continued principal residency.

Principal Residence is defined as the home that is designated (and is eligible to be designated) as the owner's principal residence for tax purposes, and where all persons registered on title live permanently in a self-contained unit with access to all living facilities at all times to conduct their daily activities (such as: cooking, sleeping, and bathroom).

### **43. What steps would you take if someone is found have lied on their application, or breaks the rules after buying the home?**

If any information provided by the loan recipient is proven to be false, that would constitute a default under their mortgage and the loan would become due and payable.

### **44. Does the gross household income limit of all individuals on title include rental income from a suite, if applicable?**

This program is for first time home owners. Someone with rental income from a property they already own is not eligible for the program. However, anyone who qualifies for the program and then decides to rent out part of the home they purchase through the program is allowed to do so, provided that the home remains to be their principal residence for the first five years.

### **45. Can loan recipients have tenants in their homes?**

The home buyer can rent out secondary suites or bedrooms as long as they also use the property as their principal residence in the first five years. If the home is not used as the home buyer's principal residence, immediate repayment of the loan is triggered.

### **46. What type of home is eligible to be purchased under the program?**

The following type of home is eligible:

- Legal, self-contained, mortgageable residence located in British Columbia.



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- The home must serve as the applicant's principal residence. Seasonal/recreational properties are not eligible.
- Purchase price must not exceed \$750,000.

## **Application Details**

### **47. How do people apply?**

Applications will be accepted online via the BC Housing website (Link to application portal).

### **48. Do prospective home buyers need to approach their financial institution/lender prior to applying for the loan through BC Housing?**

Yes. Applicants must obtain confirmation from a National Housing Act approved lender confirming they are pre-approved for an insured residential mortgage prior to submitting their application.

### **49. How will home buyers who apply be selected?**

All completed applications will be assessed for eligibility.

### **50. How will home buyers receiving partnership loan funding know what steps they need to take?**

After home buyers have applied online and been approved by BC Housing, they will be provided with a Home Buyer's Package containing:

- Confirmation of eligibility
- Detailed program information and buyer's checklist
- Information to provide to their lender, real estate agent and lawyer/notary

### **51. How long will it take for BC Housing to review and approve applications?**

BC Housing's online application system will provide a decision on complete applications within five business days in most circumstances.

### **52. When will the money be advanced?**

The partnership loan funds will be advanced at the closing date, when the first and second mortgages are registered and new title is established.

## **Housing Market Questions**

### **53. What happens when the home buyer sells the property?**

If the home is sold before the partnership loan is repaid, the homeowner must repay the loan at the time of change in ownership.

### **52. Is it true that millennials are moving away from Vancouver because of high housing prices?**

This is a myth. The BC Real Estate Association reports millennials are actually the most populous age group in the City of Vancouver today, and the rate of home ownership for younger households has increased significantly during the last two census periods. More info:

<http://www.bcrea.bc.ca/docs/economics-forecasts-and-presentations/myth-of-the-retreating-millennial.pdf>

### **53. Are there any resale restrictions for the home buyer?**

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No. Any outstanding partnership loan amount must be repaid upon sale, and the mortgage will be discharged from title.

### **54. What happens when the home is sold – both within five years or purchase, and after?**

If the home is sold before five years (or residence is no longer the owner's principal residence), only the mortgage principle is repayable in full.

If the home is sold after five years, then any remaining mortgage principle plus accumulated interest to that date is repayable.

### **55. What happens if house prices decline when a homeowner needs to sell?**

A sharp market correction that could reduce the value of homes beyond the equity buyers will have from their own down payment contribution is unlikely in the current economic environment. However, the partnership loan must be repaid regardless of house prices.

The CMHC's rules are designed to protect the housing market against the risk of a market correction and help ensure that people aren't taking on more debt than they can afford. The BC HOME Partnership program supports affordability because there are no monthly payments or interest charges for the first five years the buyer lives in the home. The homebuyer still needs to qualify for an insured first mortgage. This means their lender will have assessed their ability to carry the mortgage based on their household income, other debt and the home's purchase price.

### **56. What happens if there are significant increases to interest rates?**

If buyers remain in their homes for five years, there is no interest to be paid. After five years, partnership loans will be charged interest based on prevailing market rates, with the homebuyer responsible for those costs.

Economists predict sudden significant increases to interest rates are unlikely, although gradual rate increases by the Bank of Canada are to be expected as the Canadian economy improves. The CMHC's rules are designed to protect the housing market against the risk of a market correction and ensure that people aren't taking on more debt than they can afford. The BC HOME Partnership program supports affordability because there are no monthly payments or interest charges for the first five years the buyer lives in the home. The homebuyer still needs to qualify for an insured first mortgage. This means their lender will have assessed their ability to carry the mortgage based on their household income, other debt and the home's purchase price.

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### 57. What is the average home price in cities throughout the province?

Average home prices vary in the different regions of the province. The \$750,000 threshold was chosen to help ensure that first-time buyers will be able to find a property regardless of where they live in the province.

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- Kamloops and District: \$362,352 - <http://creastats.crea.ca/kaml/>
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- Kootenay: \$290,183 - <http://creastats.crea.ca/koot/>

### 58. What is the average household income in BC?

Here is an example of average household incomes in a sample of BC cities.

City	Average Household Income, 2010
Vancouver	\$80,460
Kelowna	\$74,975
Nanaimo	\$64,189
Surrey	\$82,789
Prince George	\$74,833

Source: National Household Survey 2011, Statistics Canada

Note: More recent data will be available in September 2017.

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## NEWS RELEASE

For Immediate Release  
2016PREM0153-002759  
Dec. 15, 2016

Office of the Premier  
Ministry of Natural Gas Development  
and Responsible for Housing

### **New program partners with first-time homebuyers as they enter the housing market**

VANCOUVER – If you're entering the market to buy your first home, the B.C. government is launching a new program to partner with you on the down payment for your mortgage, B.C. Premier Christy Clark announced today.

"We believe every British Columbian deserves a place to call home," said Premier Christy Clark. "We've invested in affordable rental housing, we've invested in transitional and emergency housing, and now we're partnering with first-time buyers to make the purchase of their first home more affordable."

Saving for a mortgage down payment can be hard for first-time homebuyers. The B.C. Home Owner Mortgage and Equity Partnership program contributes to the amount first-time homebuyers have already saved for their down payment, providing up to \$37,500, or up to 5% of the purchase price, with a 25-year loan that is interest-free and payment-free for the first five years. Through the B.C. HOME Partnership program, the Province is investing about \$703 million over the next three years to help an estimated 42,000 B.C. households enter the market for the first time.

"The first step into the market can be the hardest step, so our government will partner with homebuyers to help them achieve their minimum down payment," said Rich Coleman, Minister of Natural Gas Development and Minister Responsible for Housing. "This partnership can help lower their monthly costs in the first five years, and help make home ownership more affordable. This partnership program is another important way we're taking action on housing affordability."

During the first five years, no monthly interest or principal payments are required as long as the home remains the homebuyer's principal residence. After the first five years, homebuyers begin making monthly payments at current interest rates. Homebuyers will repay the loan over the remaining 20 years, but may make extra payments or repay it in full at any time without penalty. The loan must be repaid in full when the home is sold or transferred to another owner.

To be eligible, buyers must be preapproved for an insured high-ratio first mortgage (mortgage down payment is less than 20% of the home price). On completion of the sale, program funds will be advanced and the loan will be registered as a second mortgage on the property's title.

Other programs are available to help first-time buyers save on property transfer tax. The First Time Home Buyers Program can save first-time buyers up to \$7,500 when purchasing a home valued up to \$475,000. Or, first-time buyers can access the Newly Built Homes Exemption, which can save buyers up to \$13,000 in property transfer tax when purchasing a newly

constructed or subdivided home worth up to \$750,000.

The B.C. Home Owner Mortgage and Equity Partnership program will start accepting applications Jan. 16, 2017.

**Key Facts:**

The Province's commitment to housing action is driven by six key principles:

- Ensuring the dream of home ownership remains within the reach of the middle class
  - Increasing housing supply
  - Smart transit expansion
  - Supporting first-time home buyers
  - Ensuring Consumer Protection
  - Increasing rental supply
- The B.C. government has committed \$855 million over five years, including \$575 million this year, to support the construction or renovation of 4,900 units of affordable housing throughout the province.
- Since 2001, the B.C. government has invested \$4.9 billion to provide affordable housing for low income individuals, seniors and families.
- More than 104,000 B.C. households benefit from a diverse range of provincial housing programs and services.

**Learn More:**

Learn how to apply: [https://news.gov.bc.ca/files/Housing\\_Campaign\\_HOME.pdf](https://news.gov.bc.ca/files/Housing_Campaign_HOME.pdf)

To learn more about the Province's actions on housing affordability, visit:

<http://housingaction.gov.bc.ca/>

For additional details about the B.C. Home Owner Mortgage and Equity Partnership program, please visit: <https://homeownerservices.bchousing.org/>

B.C. Home Owner Mortgage and Equity Partnership program, BC Housing:

Phone: 604-439-4727

Toll Free Number: 1-844-365-4727

**Media Contacts:**

Stephen Smart  
Press Secretary  
Office of the Premier  
778 389-6202

Ally Skinner-Reynolds  
BC Housing  
604 456-8895  
604 209-4399

Darren Beaupre  
Ministry of Natural Gas Development  
and Responsible for Housing  
250 356-5892  
250 213-3334





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## BACKGROUND 1

For Immediate Release  
2016PREM0153-002759  
Dec. 15, 2016

Office of the Premier  
Ministry of Natural Gas Development  
and Responsible for Housing

### **B.C. Home Owner Mortgage and Equity Partnership program details**

#### **Am I eligible for a partnership loan?**

The program supports eligible first-time homebuyers who are approved for an insured high-ratio first mortgage. To qualify for the program, all individuals on title must:

- Have been a Canadian citizen or permanent resident for at least five years.
- Have resided in British Columbia for at least one year immediately preceeding the date of application.
- Be a first-time buyer who has not owned an interest in a residence anywhere in the world at any time.
- Use the property as their principal residence for the first five years.
- Purchase a home that has a purchase price of \$750,000 or less (excluding taxes and fees).
- Obtain a high-ratio insured first mortgage on the property for at least 80% of the purchase price.
- Have a combined, gross household income of all individuals on title not exceeding \$150,000.
- Have saved a down payment amount at least equal to the loan amount for which the buyer applied.

#### **What do I do and how do I apply?**

**Step 1:** Get preapproval for an insured first mortgage from your financial lending institution.

**Step 2:** Apply to BC Housing for the B.C. Home Owner Mortgage and Equity Partnership program loan. If you are eligible, you will receive confirmation of eligibility and Homebuyer's Kit, which includes information for your lender, real estate licensee, and lawyer/notary public.

**Step 3:** Find your home and provide the details of your planned purchase to BC Housing for approval.

Applications for the program will be accepted starting Jan. 16, 2017, for purchases that will close on or after Feb. 15, 2017.

#### **What information will I need to apply?**

Buyers can begin gathering the documents they'll need to submit an online application. Buyers will need:

1. Proof of status in Canada and residency in British Columbia.



2. Secondary identification (must include your photo).
3. Proof of income and tax filings.
4. Insured first mortgage pre-approval.

More information about these requirements: <https://homeownerservices.bchousing.org/>

**Media Contacts:**

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Connect with the Province of B.C. at: [www.gov.bc.ca/connect](http://www.gov.bc.ca/connect)



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## BACKGROUND 2

For Immediate Release  
2016PREM0153-002759  
Dec. 15, 2016

Office of the Premier  
Ministry of Natural Gas Development  
and Responsible for Housing

### **Support for first-time buyers using the B.C. Home Owner Mortgage and Equity Partnership program**

#### **Example #1: Home purchase price – \$475,000**

This first-time buyer has saved \$11,875 towards their down payment, or 2.5% of the home's purchase price. Through the program, the Province will contribute \$11,875, equal to the buyer's 2.5% down payment. This brings the total down payment to \$23,750 or 5% of the home's purchase price, as required by Canada Mortgage and Housing Corporation. This loan is interest and payment-free for the first five years.

As a first-time buyer, this person can also qualify for the First Time Home Buyer's exemption for the Property Transfer Tax, saving: \$7,500.

The B.C. HOME Partnership program enabled this buyer to purchase their first home as this buyer did not have the minimum down payment saved to qualify for an insured first mortgage.

#### **Example #2: Home purchase price – \$600,000**

This first-time buyer has saved 5% of the home's purchase price towards their down payment, or \$30,000. Canada Mortgage and Housing Corporation requires a 5% down payment for the first \$500,000, and 10% for the remaining portion. This means the minimum down payment required for a home valued at \$600,000 is \$35,000. This loan is interest and payment-free for the first five years.

If this is a newly built home, the buyer can also qualify for the Newly Built Home Exemption for the Property Transfer Tax, saving: \$10,000.

The B.C. HOME Partnership program will meet this buyer's contribution of \$30,000, bringing their total down payment to \$60,000, and enabling this buyer to purchase their first home as they had not yet saved the minimum down payment required to qualify for a insured first mortgage.

#### **Example #3: Home purchase price – \$750,000**

The first-time buyer in this example has saved 7% of the home's purchase price as a down payment, or \$52,500.

Canada Mortgage and Housing Corporation requires a 5% down payment for the first \$500,000, and 10% for the remaining portion. This means the minimum down payment required for a home valued at \$750,000 is \$50,000.

The Province will meet the buyer's contribution up to 5% of the home's purchase price. In this

example, the program will contribute \$37,500 towards the down payment, allowing this buyer to put a total of \$90,000 towards the down payment of their first home.

Assuming a 3% interest rate, this buyer will save \$5,201 in interest payments during the first five years of their mortgage compared to if the buyer had purchased the home without the program.

In addition, if this is a newly built home, the buyer can also qualify for the Newly Built Home Exemption for the Property Transfer Tax, saving: \$13,000.

**Media Contacts:**

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Connect with the Province of B.C. at: [www.gov.bc.ca/connect](http://www.gov.bc.ca/connect)

# HOUSING ACTION

## BC HOME PARTNERSHIP

### ELIGIBILITY CHECKLIST

- ☒ You are a Canadian citizen or a permanent resident for at least five years and have lived in BC for one year
- ☒ You are a first time home buyer
- ☒ You plan to purchase a home for \$750,000 or less
- ☒ You have at least half of the minimum downpayment required to purchase your home
- ☒ Your total household income is \$150,000 or less
- ☒ Your new home will be your principal residence

### HOW TO APPLY?



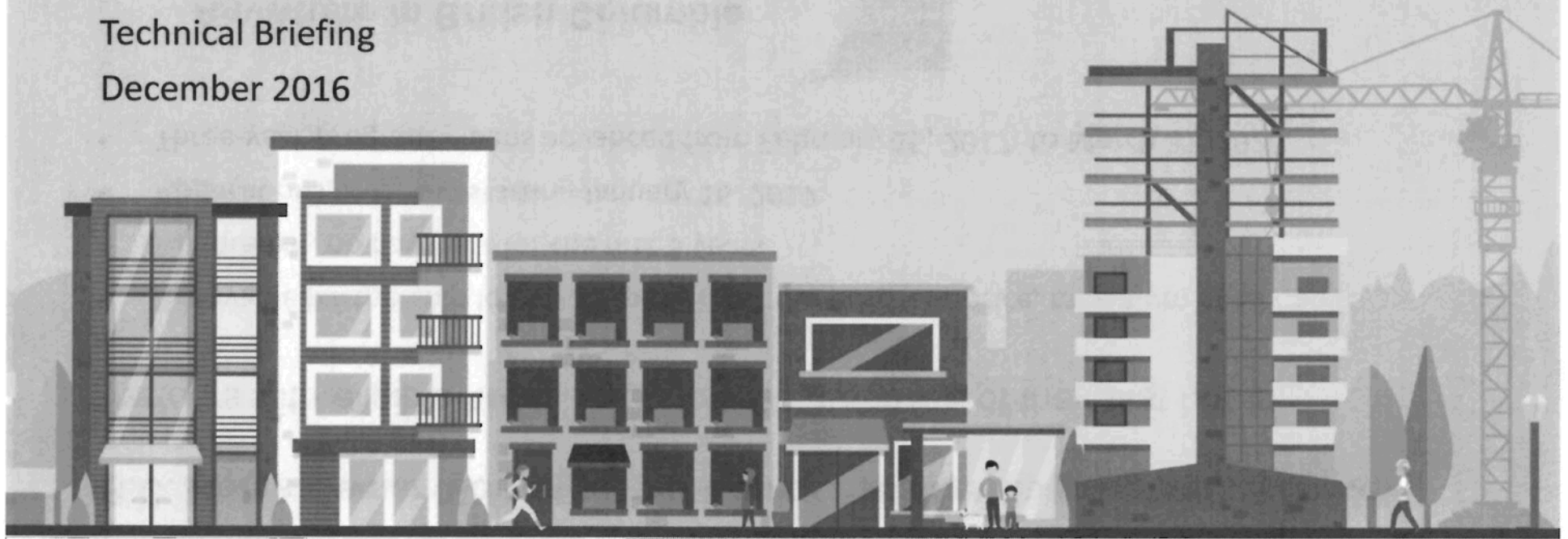
For more information and how to apply, visit [gov.bc.ca/housingaction](http://gov.bc.ca/housingaction)

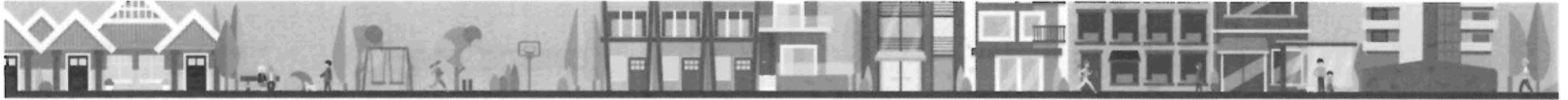
Conditions apply

# B.C. Home Owner Mortgage and Equity Partnership program

Technical Briefing

December 2016





## **B.C. Home Owner Mortgage and Equity Partnership program: Overview**

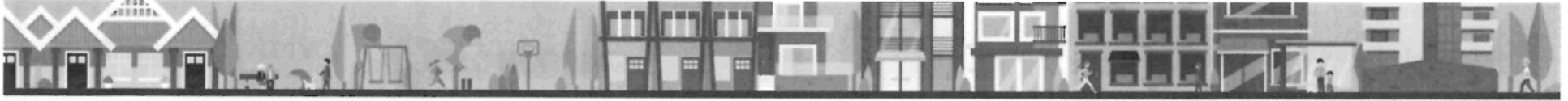
Partners with eligible homebuyers on the purchase of their first home

- Repayable partnership loans for up to 5% of the purchase price, maximum of \$37,500.
- No interest, no payment for the first 5 years.
- Applications accepted starting January 16, 2017.
- Three-year program - loans advanced from February 15, 2017, to March 31, 2020.

**Anywhere in British Columbia**



B.C. HOME Partnership Program



## Homebuyer Eligibility

All individuals with a registered interest on title must reside in the home and:

- Be a first-time homebuyer
- Have been a Canadian citizen or permanent resident for at least five years
- Have resided in B.C. for at least 12 months
- Have a combined gross income of \$150,000 or less
- Have saved at least half of the minimum down payment they will require
- Applicants must be pre-approved for a 1<sup>st</sup> mortgage before applying

**1<sup>st</sup> mortgage must be high-ratio insured from an NHA approved lender,  
for more than 80% of the purchase price**



B.C. HOME Partnership Program



## Eligible Properties

Any legal, self-contained, mortgageable residence located in BC

- Must be used as the homebuyer's principal residence for the first 5 years
- Rental properties and seasonal/recreational properties not eligible

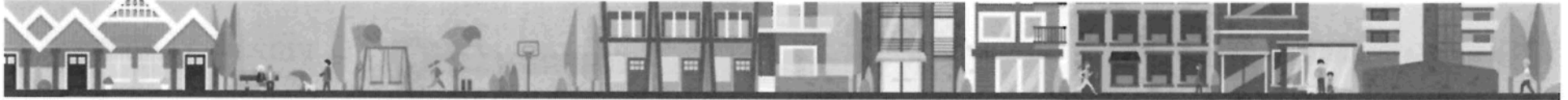


**Purchase price cannot exceed  
\$750,000**



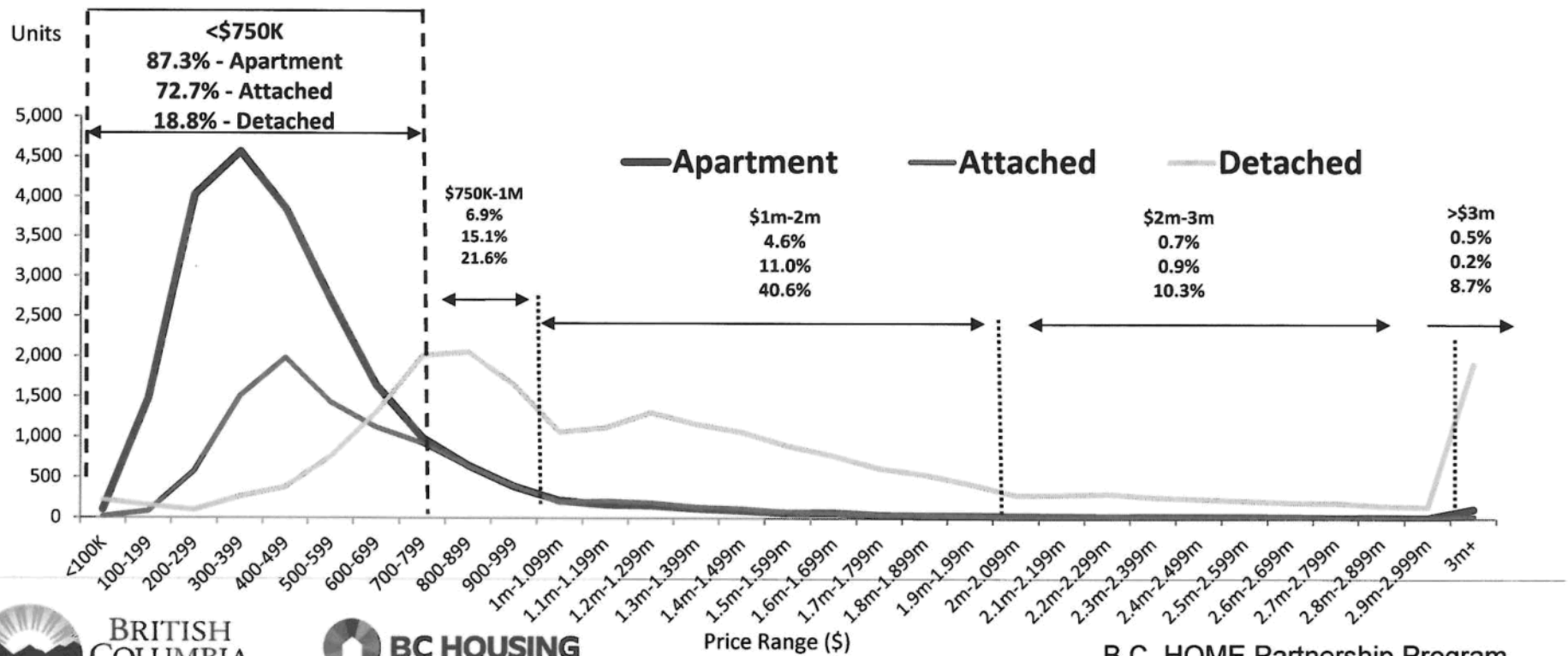
B.C. HOME Partnership Program



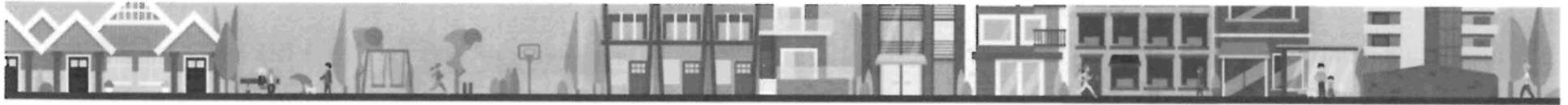


## 87% of apartments, 73% of attached homes, 19% of detached homes currently on market could qualify

MLS® Residential Sales by Product Type  
Metro Vancouver 2016 (Jan-Nov)

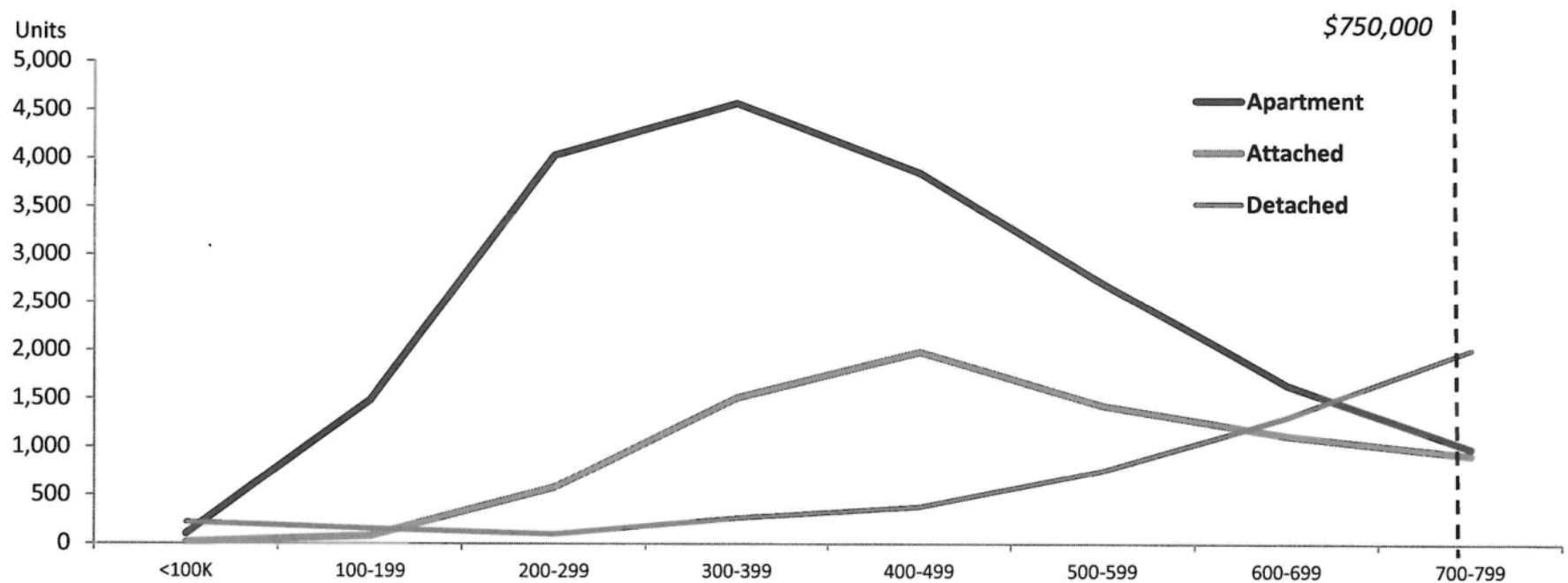


Source: REBGV, FVREB, BCRA Economics



## Distribution of Homes in Metro Vancouver that could qualify for B.C. HOME Partnership program

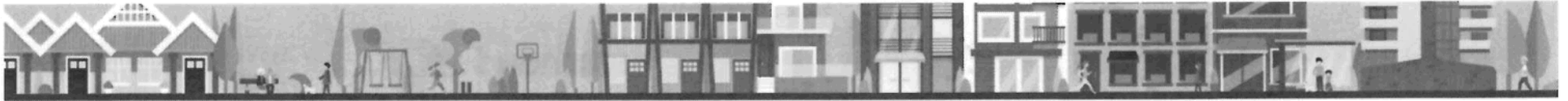
*MLS® Residential Sales by Product Type – Metro Vancouver 2016 (Jan-Nov)*



Price Range (\$)

B.C. HOME Partnership Program

Source: REBGV, FVREB, BCREA Economics



## **B.C. HOME Partnership Loan Examples**

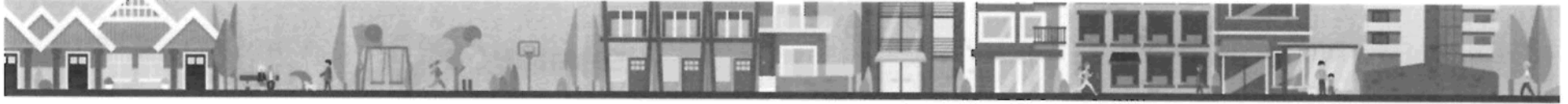
Example #1 – Home purchase price \$475,000, homebuyer has saved \$11,875

- Minimum down payment required for an insured first mortgage - \$23,750
- B.C. HOME Partnership loan - \$11,875 (equal to homebuyer's down payment, equal to 2.5% of purchase price)
- Total down payment - \$23,750

**B.C. HOME Partnership enabled this homebuyer to purchase their first home as they did not have the minimum down payment saved to qualify for an insured first mortgage.**



B.C. HOME Partnership Program



## **B.C. HOME Partnership Loan Examples**

**Example #2 – Home purchase price \$600,000, homebuyer has saved \$30,000**

- Minimum down payment required for an insured first mortgage - \$35,000
- B.C. HOME Partnership Loan - \$30,000 (equal to homebuyer's down payment amount, equal to 5% of purchase price)
- Total down payment - \$60,000

**B.C. HOME Partnership enabled this homebuyer to purchase their first home as they did not have the minimum down payment saved to qualify for an insured first mortgage.**



B.C. HOME Partnership Program



## **B.C. HOME Partnership Loan Examples**

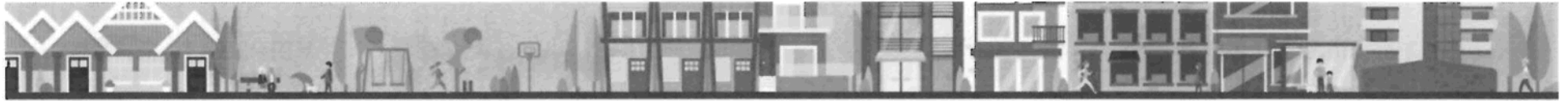
**Example #3 – Home purchase price \$750,000, homebuyer has saved \$52,500**

- Minimum down payment required for an insured first mortgage - \$50,000
- B.C. HOME Partnership Loan - \$37,500 (maximum 5% of purchase price)
- Total down payment - \$90,000

**At 3%, this homebuyer will save \$5,201 in interest payments during the first 5 years of their mortgage compared to if they had purchased the home without B.C. HOME Partnership .**



B.C. HOME Partnership Program



## B.C. Programs combine to benefit homebuyers

**Home purchase price: \$475,000**

First Time Home Buyer's exemption:  
*Property transfer tax savings: **\$7,500***

B.C. HOME Partnership program:  
*Down payment loan up to: **\$11,875***

B.C. HOME Partnership program  
loans are interest-free and  
payment-free for  
five years.



**Home purchase price: \$750,000**

Newly Built Home exemption:  
*Property transfer tax savings: **\$13,000***

B.C. HOME Partnership program:  
*Down payment loan up to: **\$37,500***

B.C. HOME Partnership program loans  
are interest-free and payment-free for  
five years.

**BC Housing estimates savings: \$5,200**





B.C. HOME Partnership Program



[Website](#) | [My Profile](#) | [Notifications](#)

## Apply Online

Applicants register for a *MyBCHousing* account and complete their HOME Partnership applications online

 MENU  **MyBCHousing**

**My BC Housing Account**

Email

Password

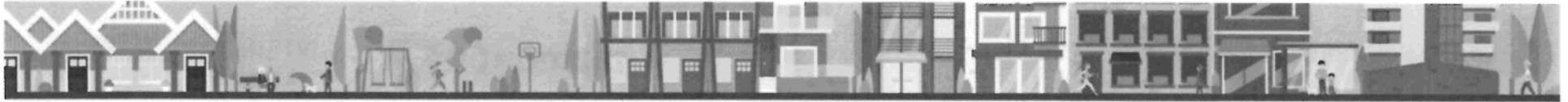
Sign in

[I forgot my password](#)

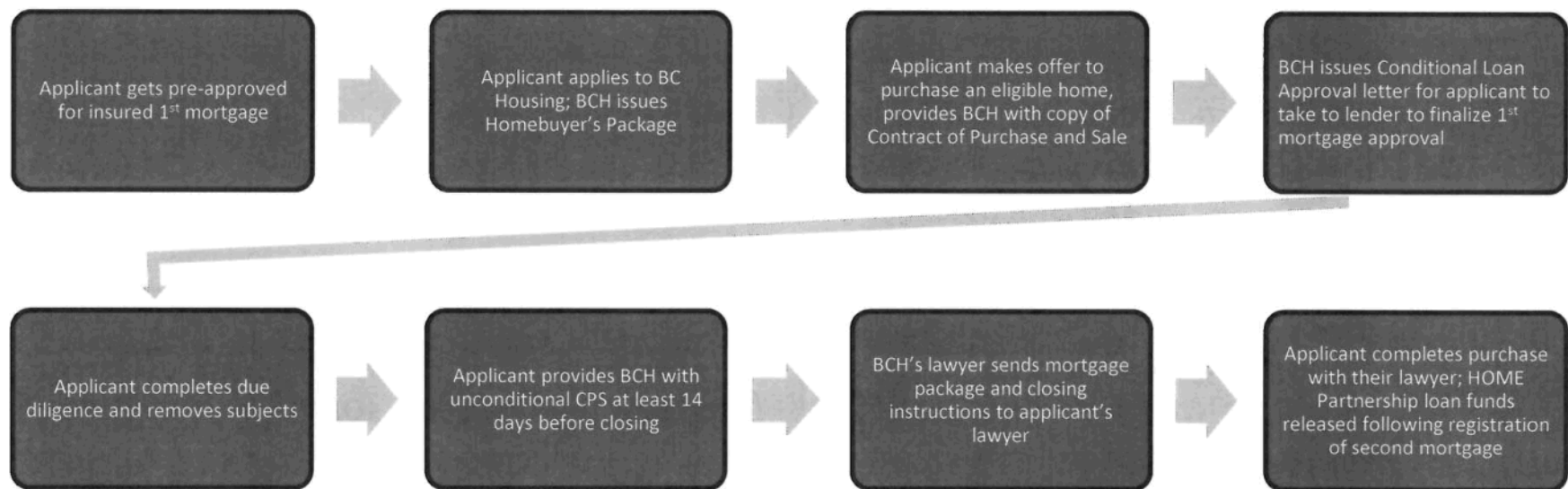
[Don't have an account? Create one now.](#)



B.C. HOME Partnership Program

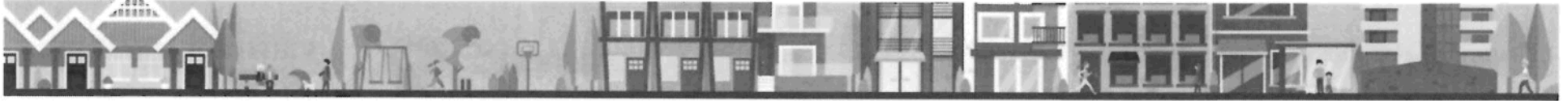


## Process



B.C. HOME Partnership Program





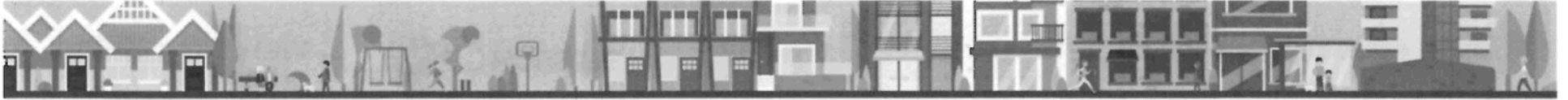
## Homebuyer's Package

Provided to homebuyer once they apply online and eligibility is confirmed

- Confirmation of eligibility letter highlighting key details and dates
- Homebuyer's Package - program overview and Homebuyer's Checklist
- Information and program overview for the professionals the homebuyer will work with:
  - Lender's Package
  - Real Estate licensee's Package
  - Lawyer/Notary Public's Package



B.C. HOME Partnership Program



## HOME Partnership Loans

- Up to 25 year term, registered second mortgage
- Interest and payment free for the first five years
- Monthly principal and interest payments begin in year six, amortized over remaining 20 years
- Interest rate for years 6 to 10 set near first mortgage rate at time mortgage is registered
- Interest rate reset to near first mortgage rate at years 10, 15 and 20
- Homeowner may repay in full or in part at anytime without penalty



B.C. HOME Partnership Program



## HOME Partnership Loans

- Due and payable in full upon:
  - The home ceasing to be the principal residence in the first five years
  - Default on the first mortgage
  - Sale of home or change of ownership (adding anyone to title)
  - Any other default on the HOME Partnership second mortgage



B.C. HOME Partnership Program



## Forecast HOME Partnership Loans

	2016/17	2017/18	2018/19	2019/20	Total
New Loans Issued (number)	2,778	11,110	13,110	15,110	42,108
New Loans Issued (\$ millions)	47	185	219	252	703

**Estimated Average Loan Amount : \$16,685**



B.C. HOME Partnership Program



# Questions?



BRITISH  
COLUMBIA



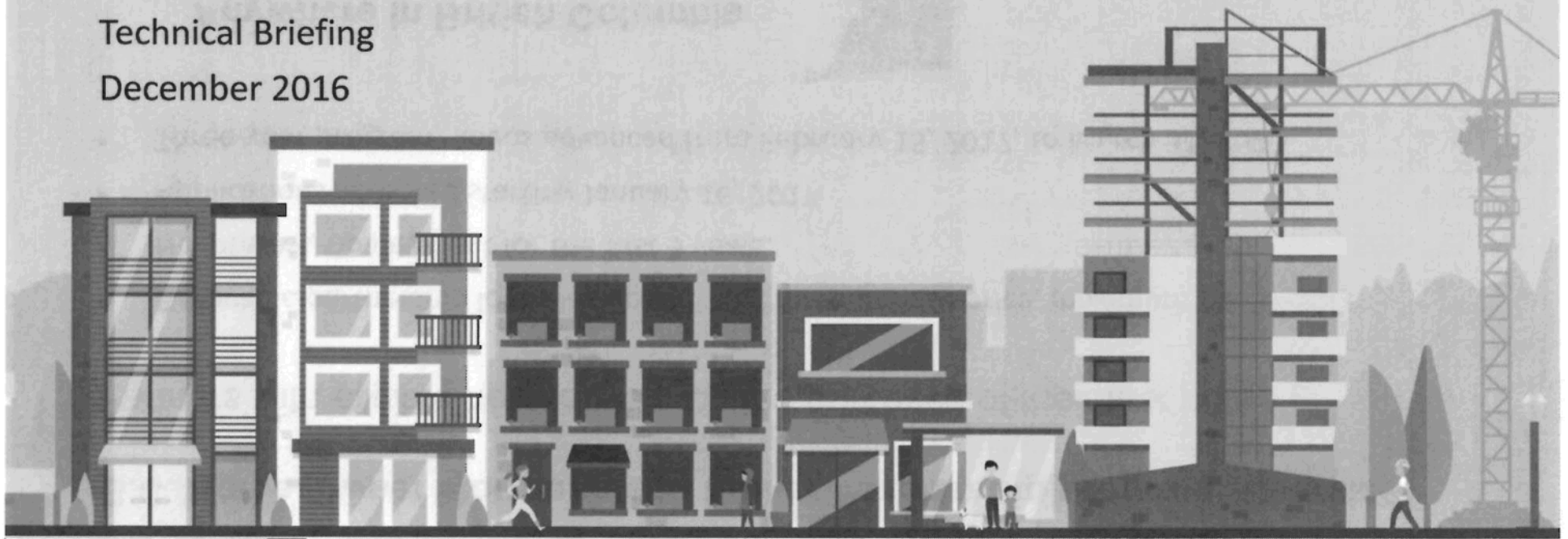
BC HOUSING

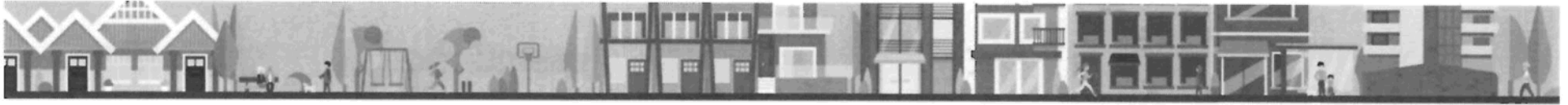
B.C. HOME Partnership Program

# B.C. Home Owner Mortgage and Equity Partnership program

Technical Briefing

December 2016





## **B.C. Home Owner Mortgage and Equity Partnership program: Overview**

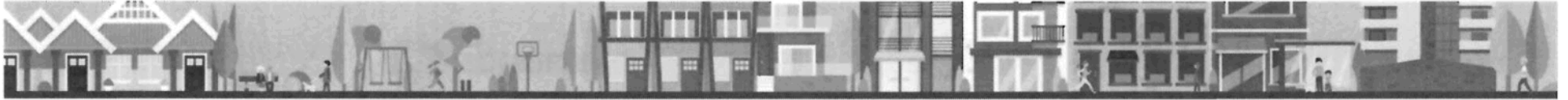
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- Three-year program - loans advanced from February 15, 2017, to March 31, 2020.

**Anywhere in British Columbia**



B.C. HOME Partnership Program



## Homebuyer Eligibility

All individuals with a registered interest on title must reside in the home and:

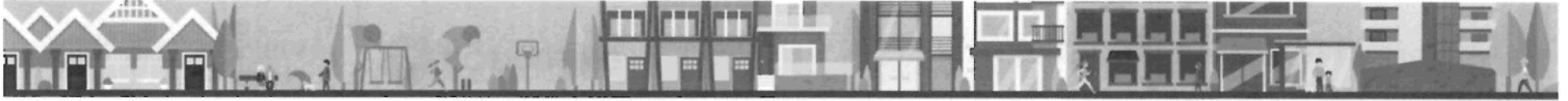
- Be a first-time homebuyer
- Have been a Canadian citizen or permanent resident for at least five years
- Have resided in B.C. for at least 12 months
- Have a combined gross income of \$150,000 or less
- Have saved at least half of the minimum down payment they will require
- Applicants must be pre-approved for a 1<sup>st</sup> mortgage before applying

**1<sup>st</sup> mortgage must be high-ratio insured from an NHA approved lender,  
for more than 80% of the purchase price**



B.C. HOME Partnership Program





## Eligible Properties

Any legal, self-contained, mortgageable residence located in BC

- Must be used as the homebuyer's principal residence for the first 5 years
- Rental properties and seasonal/recreational properties not eligible



**Purchase price cannot exceed  
\$750,000**

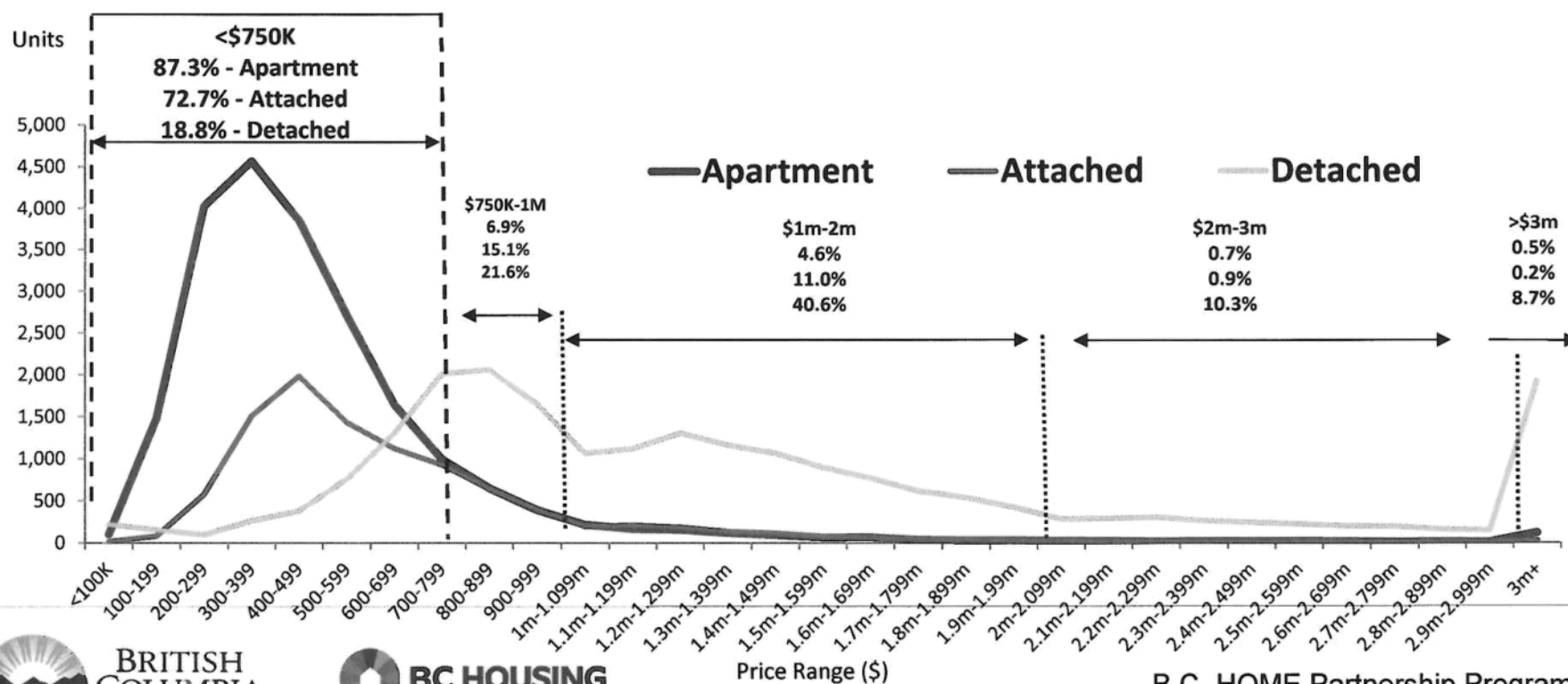


B.C. HOME Partnership Program

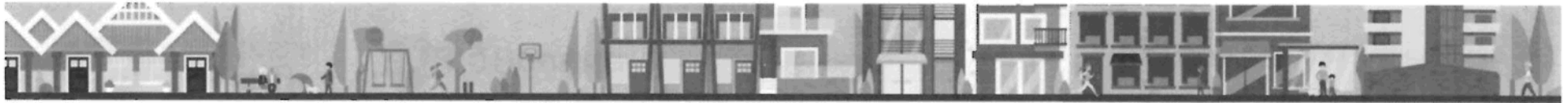


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MLS® Residential Sales by Product Type  
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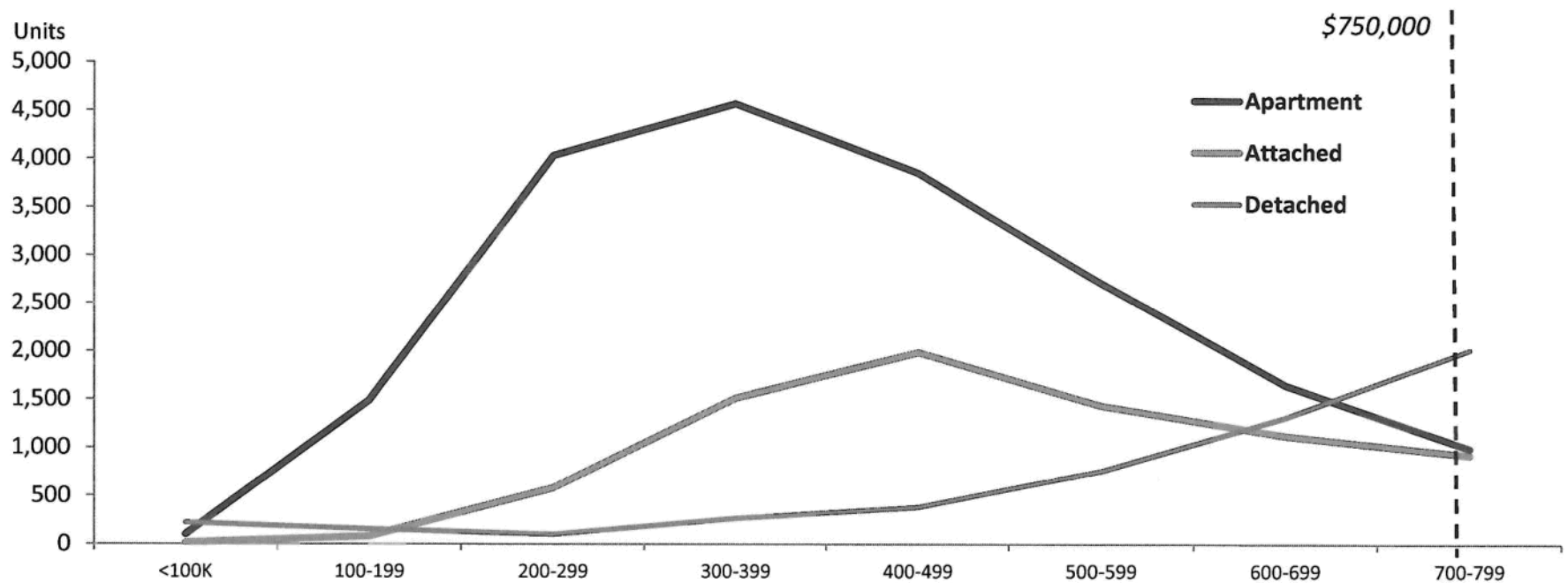


Source: REBGV, FVREB, BCREA Economics



## Distribution of Homes in Metro Vancouver that could qualify for B.C. HOME Partnership program

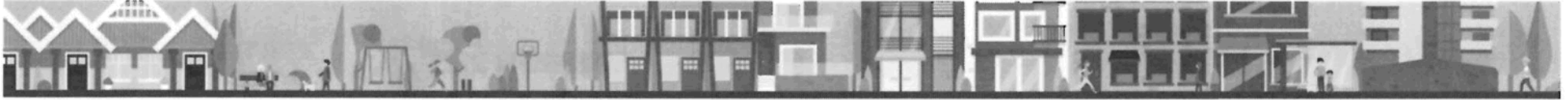
MLS® Residential Sales by Product Type – Metro Vancouver 2016 (Jan-Nov)



Price Range (\$)

B.C. HOME Partnership Program

Source: REBGV, FVREB, BCREA Economics



## **B.C. HOME Partnership Loan Examples**

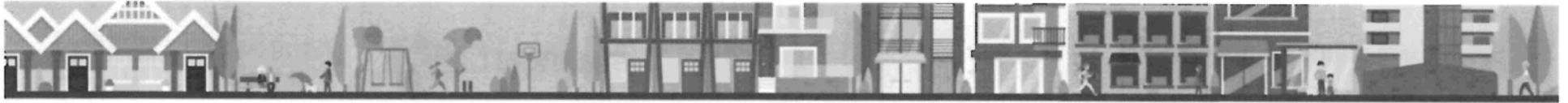
Example #1 – Home purchase price \$475,000, homebuyer has saved \$11,875

- Minimum down payment required for an insured first mortgage - \$23,750
- B.C. HOME Partnership loan - \$11,875 (equal to homebuyer's down payment, equal to 2.5% of purchase price)
- Total down payment - \$23,750

**B.C. HOME Partnership enabled this homebuyer to purchase their first home as they did not have the minimum down payment saved to qualify for an insured first mortgage.**



B.C. HOME Partnership Program



## **B.C. HOME Partnership Loan Examples**

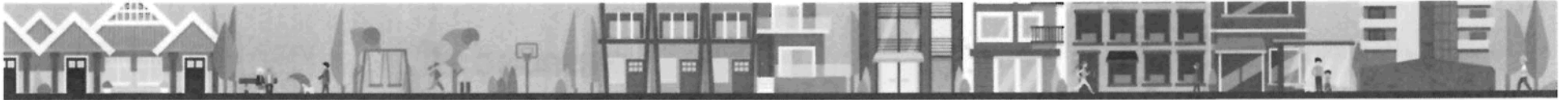
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B.C. HOME Partnership Program



## **B.C. HOME Partnership Loan Examples**

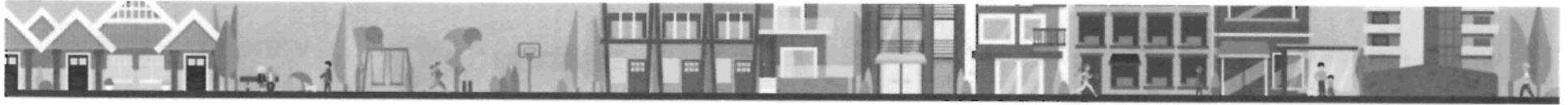
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- B.C. HOME Partnership Loan - \$37,500 (maximum 5% of purchase price)
- Total down payment - \$90,000

**At 3%, this homebuyer will save \$5,201 in interest payments during the first 5 years of their mortgage compared to if they had purchased the home without B.C. HOME Partnership .**



B.C. HOME Partnership Program



## B.C. Programs combine to benefit homebuyers

**Home purchase price: \$475,000**

First Time Home Buyer's exemption:  
*Property transfer tax savings: \$7,500*

B.C. HOME Partnership program:  
*Down payment loan up to: \$11,875*

B.C. HOME Partnership program  
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B.C. HOME Partnership program:  
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B.C. HOME Partnership program loans  
are interest-free and payment-free for  
five years.

**BC Housing estimates savings: \$5,200**



B.C. HOME Partnership Program



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## Apply Online

Applicants register for a *MyBCHousing* account and complete their HOME Partnership applications online

The screenshot shows the 'MyBCHousing' login page. At the top, there is a dark header with a 'MENU' icon and the 'MyBCHousing' logo. Below the header, the main content area is titled 'My BC Housing Account'. It contains two input fields: 'Email' and 'Password'. Below these fields is a dark 'Sign in' button. At the bottom of the form, there is a link that says 'I forgot my password' and a text prompt 'Don't have an account? Create one now.'

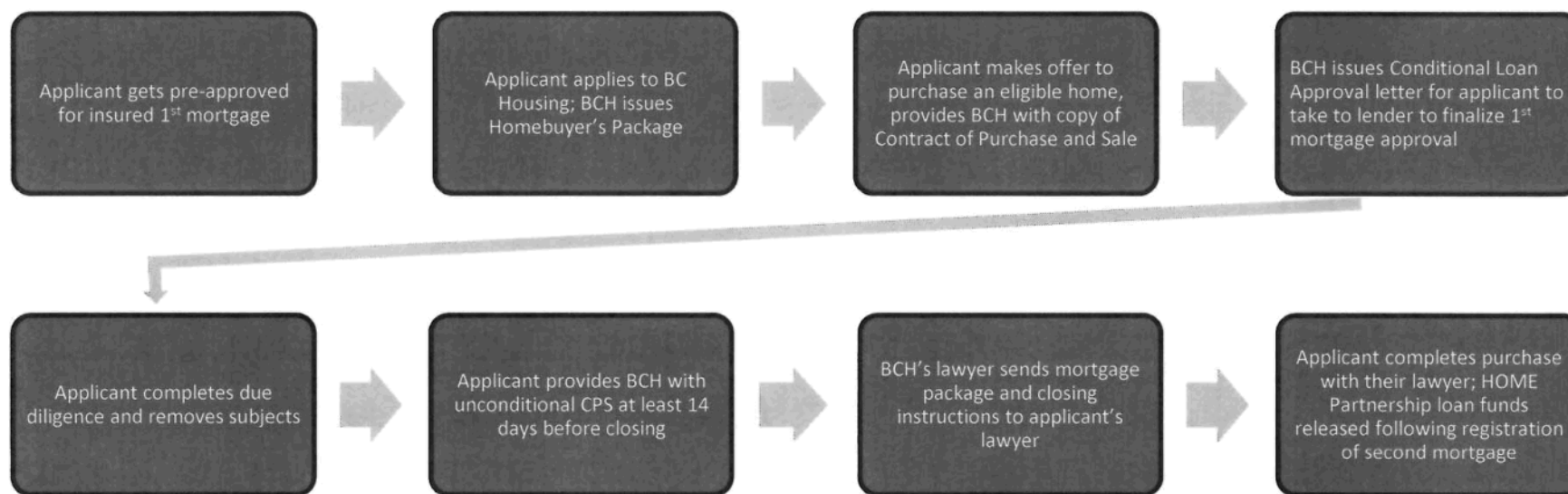


B.C. HOME Partnership Program

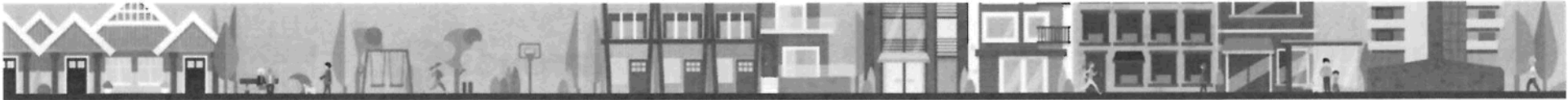




## Process



B.C. HOME Partnership Program



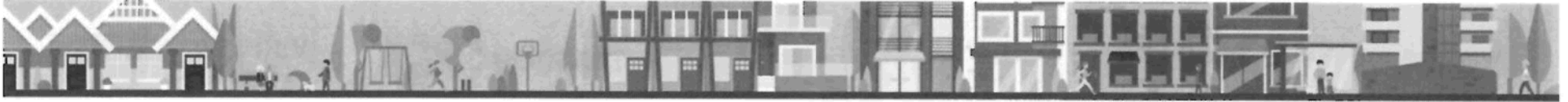
## Homebuyer's Package

Provided to homebuyer once they apply online and eligibility is confirmed

- Confirmation of eligibility letter highlighting key details and dates
- Homebuyer's Package - program overview and Homebuyer's Checklist
- Information and program overview for the professionals the homebuyer will work with:
  - Lender's Package
  - Real Estate licensee's Package
  - Lawyer/Notary Public's Package



B.C. HOME Partnership Program

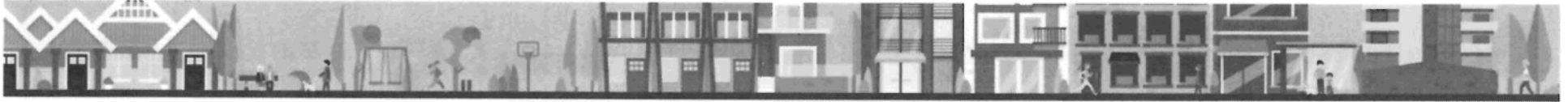


## HOME Partnership Loans

- Up to 25 year term, registered second mortgage
- Interest and payment free for the first five years
- Monthly principal and interest payments begin in year six, amortized over remaining 20 years
- Interest rate for years 6 to 10 set near first mortgage rate at time mortgage is registered
- Interest rate reset to near first mortgage rate at years 10, 15 and 20
- Homeowner may repay in full or in part at anytime without penalty



B.C. HOME Partnership Program



## HOME Partnership Loans

- Due and payable in full upon:
  - The home ceasing to be the principal residence in the first five years
  - Default on the first mortgage
  - Sale of home or change of ownership (adding anyone to title)
  - Any other default on the HOME Partnership second mortgage



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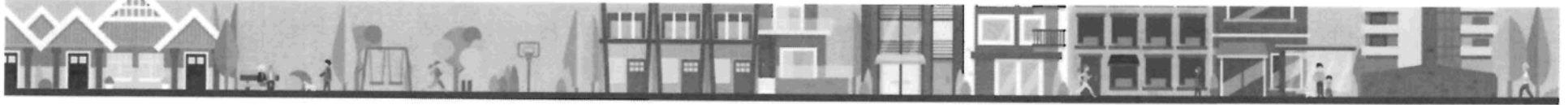
## Forecast HOME Partnership Loans

	2016/17	2017/18	2018/19	2019/20	Total
<b>New Loans Issued (number)</b>	2,778	11,110	13,110	15,110	<b>42,108</b>
<b>New Loans Issued (\$ millions)</b>	47	185	219	252	<b>703</b>

**Estimated Average Loan Amount : \$16,685**



B.C. HOME Partnership Program



# Questions?



BRITISH  
COLUMBIA



BC HOUSING

B.C. HOME Partnership Program