Social Services Department - Housing Division
82 Erie Street, 1st Floor, Stratford, Ontario N5A 2M4
Phone: 519-271-3773 | Toll Free: 1-800-669-2948
www.stratfordcanada.ca

Affordable Homeownership Program Overview

The City of Stratford Social Services Department is the provincially-designated Consolidated Municipal Service Manager ('Service Manager') and administers the Affordable Homeownership Program which provides qualified low to moderate income households with down payment assistance loans of up to 5% of the purchase price of a home also known as an 'Eligible Residential Property'.

Households that are interested in participating in the Affordable Homeownership Program must meet the qualifications listed in the Applicant Eligibility Criteria section (Appendix A).

The down payment assistance loan is interest-free and forgivable after 20 years, provided there has been no default under the terms of the loan. If the Residential Property is sold before 20 years, the principal amount of the loan plus a percentage of the capital gain realized through the sale is repayable.

2020 Household Members Income Limits

The maximum household income limit for applications to the Affordable Homeownership Loan Program is $88,400 if applying as a couple or family and $74,600 if applying as an individual. The current maximum purchase price of an eligible Residential Property for 2020 is $396,045

Qualification

Applications submitted will be reviewed and qualification determined on an as submitted basis. Qualification for the program does not guarantee allocation of funding to the application.

It may take up to 5 business days to review the application to determine eligibility, therefore please allow at minimum 10 business days between loan allocation and closing of the home to allow sufficient time for paperwork to be completed.

Qualified applicants will then be advised to submit a Conditional Agreement of Purchase and Sale on a qualifying home, based on received submissions of conditional Agreements of Purchase and Sale, preference will be given chronologically to complete and eligible applications.

Final confirmation of eligibility will be required after completion of a home inspection and prior to any forgivable loan being made.

All applicants will receive written confirmation of receipt of an application indicating if they qualified for the Homeownership Loan Program or not.

Appendix A

Applicant Eligibility Criteria

Each person seeking to be approved as an Eligible Purchaser must meet each of the following criteria at the time s/he applies for such approval:

a) The individual must have one of the following Status in Canada: Canadian Citizen, Landed Immigrant/Permanent Resident or made application thereof, Refugee or Refugee Claimant. Please see Appendix C for what documentation to provide as verification.

b) The individual must be at least eighteen (18) years old;

c) The individual must currently live within the City of Stratford, Perth County or Town of St. Marys

d) The individual can neither own a home nor have a vested ownership interest in a home;

e) The individual cannot be in a spousal relationship (including a same-sex spousal relationship) with a person who owns a home or who has an ownership interest in a home other than a contingent interest;

f) The individual must be vacating a residential tenancy and must agree not to lease the Eligible Residential Property for the duration of the loan period;

g) The applicant must not owe rental, housing charge arrears or damages to any other housing program;

h) The total income of all members of the individual's household cannot exceed the maximum income level set annually by the Service Manager. For the purpose of this program, the household of an individual shall be deemed to include and be limited to:
    i. The individual;
    ii. Any person with whom the individual is in a spousal relationship (including same-sex spousal relationship); and
    iii. Any person over the age of eighteen (18) expected to be residing with the individual at the time of first occupancy of the Residential Property

i) The individual's application for financial assistance must be supported by the following:
    i. one (1) piece of original photo identification for purchaser(s);
    ii. An original notice of income tax assessment or other equally reliable evidence of income; and
    iii. A declaration that all information provided in the application is true and correct;

j) The applicant agrees to secure their own primary financing for the purchase of the Eligible Residential Property;

k) The applicant agrees to become educated on the home buying experience, including financial guidance concerning the up-front and on-going costs of Homeownership and on the obligations and benefits of being a homeowner. This education will be provided by The Service Manager in the form of educational materials for the individual to read.

l) Funding for this program is limited and will be offered to qualified applicants only and will be prioritized chronologically based on eligibility and funding availability.

Appendix B

Gross Household Income and Assets Definitions

"Income" means all gross income, benefits, and gains of every kind and from every source (before any deductions, from within and outside of Canada). **"Gross household income"** means the income of every household member who is expected to live in the purchased Residential Property (home).

All adult (18+) household members must provide a copy of their most recent Notice of Assessment from Canada Revenue Agency (CRA).

The following lists provide some of the possible sources of income as well as the usual documentation required by CRA (Canadian Revenue Agency) Self Help to verify the income. **You must report all income and assets, even if not listed below.** If you are unable to provide the documentation or have questions, please contact our office for assistance:

Income or Assets	Examples of Documentation ***Except for affidavits, please submit clear photocopies and keep your originals***
Employment	
☐ Full-time, part-time, casual, seasonal, overtime ☐ Commissions, tips/gratuities, bonuses ☐ Illness and disability pay	☐ **Letter from employer or agency** indicating gross income or average gross earnings and length of employment; or ☐ **Pay stubs** (for at least two months) provided they have some identifiable information and gross income on them ☐ **Affidavit of cash earnings** sworn before a Notary Public or Commissioner of Oaths and any supporting verification of amounts received
Self-Employment	
☐ Tutoring ☐ Babysitting/Child Care ☐ Taxi ☐ Business ☐ Other	☐ **Self-employed *less than one year*:** ☐ Affidavit of earnings and expenses sworn before a Notary Public or Commissioner of Oaths and verification of payments received and amounts spent on expenses ☐ **Self-employed *over one year*:** ☐ Financial statements prepared by a public Accountant **and** the most recent year's Notice of Assessment **and** o Personal income tax return summary or o T2125 Statement of Business or Professional Activities
Social Assistance	
☐ Ontario Works (OW) ☐ Ontario Disability Support Program (ODSP)	☐ Copy of most recent stub including breakdown of amounts received and listing all beneficiaries or letter/printout from your Caseworker outlining this information

Pensions and Allowances	
☐ Canada/Provincial Pension (CPP) ☐ CPP – Disability ☐ Old Age Security (OAS) ☐ Federal Guaranteed Income Supplement (GIS) ☐ Ontario Guaranteed Annual Income System (GAINS) ☐ Pensions: Widow's, Retirement, War Disability, payments from another country ☐ War Veteran's Allowance (DVA) ☐ Training/Re-training Allowances ☐ Military/Militia/Civil Defence ☐ Allowances	☐ Letter from the agency issuing the payment stating the current, gross amount received and the recipient ☐ Copy of last two months' bank statements showing current net amount received **and** verification of amounts deducted to determine gross amount (appropriate T-slip, income tax deducted line on CRA Notice of Assessment, etc.) ☐ Statement from Canada Employment and Immigration or employer
Support Income/Payments	
☐ Alimony, child support, separation payments, or support from other relatives and sources ☐ Employment Insurance (EI) ☐ Workplace Safety and Insurance Board (WSIB) ☐ Income replacement payments from an Insurance Company ☐ Compensation for Victims of Crime ☐ Ontario Student Award Program (OSAP), grants, scholarships, or bursary payments ☐ Lump sum payments (insurance, inheritance, court settlements, etc.) Payments from a Children's Aid Society or from an Official Guardian or Public Trustee	☐ Recent legal documents or letter from a lawyer **and** verification of current amounts and payments being made ☐ Schedule A from the Family Responsibility Office ☐ Affidavit sworn before a Notary Public or Commissioner of Oaths with both the applicant and ex-spouse's signatures **and** verification of current amounts and payments being made ☐ Letter from the agency issuing the payments stating gross amounts received and time periods amounts received for Printout from Canada Revenue Agency or My Service Canada Account stating gross amounts received and time periods received for

Assets

☐ Verification of any bank accounts you have, even if the balance is $0 or if it is in trust ☐ Any Registered Savings Plans (Retirement – RRSP, Disability – RDSP, Education – RESP) ☐ Interest and dividends from all accounts and investments (tax-free savings accounts, stocks, bonds, bank/trust/credit union accounts, shares, securities, annuities, Guaranteed Income Certificates, etc.) ☐ Real Estate (house, land, cottage) ☐ Life Insurance (with a cash surrender value) ☐ Collections of or investments in other valuable non-income producing assets (stamps, coins, antiques, art, etc.) ☐ Farm property that produces income ☐ Business interest that produces income ☐ Business assets	☐ Bank Verification of Income and Assets Form (page 5 & 6 of Affordable Homeownership Application)

Appendix C

Status in Canada - Documentation

An eligible applicant must have legal status in Canada. This includes being be a Canadian Citizen, having made application for status as a Landed Immigrant or Permanent Resident or having made a claim for protection as a Refugee under the Immigration and Refugee Protection Act, with no deportation order, departure order or exclusion order. Acceptable documentation must be provided, and copies kept on file. Acceptable documentation includes one of the following:

Here are some suggestions to help you meet this requirement;

Canadian Citizens

- Birth Certificate from a Canadian province or territory
- Canadian Certificate of Registration of Birth Abroad
- Certified Statement of Live Birth from a Canadian province or territory
- Certificate of Canadian Citizenship or Certificate of Naturalization (paper document or card, not commemorative issue)
- Certificate of Indian Status (paper or plastic card)
- Registered Indian Record (certified)
- Valid Canadian Passport
- Certificate of retention (issued between Jan 1. 1947 – Feb 14, 1977)

Permanent Residents / Landed Immigrants

- Canadian Immigration Identification Card
- Confirmation of Permanent Residence
- Valid Permanent Resident Card
- Record of Landing

Other Immigration Status

- Written confirmation from the Immigration, Refugees and Citizenship Canada (IRCC) stating that you are “approved in principle (AIP)” for permanent resident status.
- A letter from IRCC confirming Convention Refugee or Protected Person status

Appendix D

Residential Property (Home) Eligibility Criteria

To be an Eligible Residential Property, a home must satisfy each of the following requirements:

a) It must be a Residential Property that is offered for resale, provided a home inspection is undertaken by a qualified inspector agreed to by the Purchaser and the Service Manager, at the Purchaser's expense or an existing Residential Property that either has not been previously occupied and to which the *Ontario New Home Warranties Plan Act* applies, including a Residential Property that has been converted from non-residential to residential use. The results of the inspection must be wholly satisfactory to the Purchaser and the Service Manager;

b) The selling price of the Residential Property must be at or below the limit set by the Service Manager, which is based on annual Service Manager Profile data from the Ministry of Municipal Affairs and Housing.

c) The Residential Property may be detached, semi-detached, town (condominium and freehold), a duplex, a stacked home, a row house, an apartment or such other forms as may be approved by the Service Manager;

d) The Residential Property must be modest in size, relative to community norms, in terms of floor area and amenities;

e) The Residential Property must be located within the City of Stratford, Perth County or Town of St. Marys

Please note – due to the uncertainty around close dates, new builds do not qualify for a Homeownership Assistance loan.