

# 2018 Hamilton Down Payment Assistance Program



## APPLICATION PACKAGE CONTENTS

1. 2018 Application Package
2. Appendix A – Household Income Supporting Documentation
3. Appendix B – Hamilton’s Step-by-Step Guide to the Down Payment Assistance Program
4. Appendix C – Question and Answer Sheet

## Who is eligible?

Applicants:

- Must be over the age of 18
- Must have rented in Hamilton for at least the last 6 months. A Tenant /renter is defined as a person who pays rent/ leases or rents a bona fide legal residential rental unit. The unit can be in a licensed rooming house, apartment building, condo, plex, apartment above commercial, townhouse or house including secondary units in a townhouse or house. Other than a licensed rooming house, the unit must be self-contained, i.e. own kitchen, bathroom and living space and separate entrance. Students living in student housing are not eligible for this program. (Applicants must demonstrate to the City's satisfaction that they have been renting in Hamilton for at least the last 6 months and that they have been renting a rental unit as described above. The unit must be available to rent out after the applicant's purchase their home and move from the unit. The City will accept evidence including a lease, rent receipts, detailed property description of the rental unit and any other documentation requested.
- Be a legal resident of Canada and intend to have this home as their one and only residence
- Qualify for a mortgage from a Federally recognized bank or credit union.
- Have a combined maximum annual gross household income of \$80,000 (all adult non-student members of the household - please note: a household can be defined as any of the following):
  - the individual making the application, or;
  - any person the individual is living with in a spousal relationship, including same sex spousal relationship

any person over the age of 17 expected to be residing with the applicant at the time of initial occupancy of the home (with the exception of a full time student).
- Do not own a home or property (and are not in a spousal relationship, including a same-sex spousal relationship, with a person that has any form of interest in ownership of a home or property.

# APPLICATION FORM

## Hamilton Down Payment Assistance Program



Please complete and return this application along with all necessary documentation to:

**City of Hamilton - Housing Services Division**  
181 Main Street West, 3rd Floor  
Hamilton, ON L8P 4S1  
Attention: Housing Loans Officer  
Or by email to [affordablehousing@hamilton.ca](mailto:affordablehousing@hamilton.ca)

**Applications will not be considered unless all supporting documentation has been completed and submitted.**



# APPLICATION FORM

The application is not complete until <b>all</b> required documentation is provided. Please see Appendix A for examples of income and supporting documentation.	<b>Date Received:</b>
---	-----------------------

## Section 1: Personal Information

Applicant	Co-applicant (if applicable)
Last Name:	Last Name:
First Name:	First Name:
Date of Birth:	Date of Birth:
Address:	Address:
City:	City:
Postal Code:	Postal Code:
Home Phone Number :	Home Phone Number :
Work Phone Number:	Work Phone Number :
Email Address:	Email Address:

### HOUSEHOLD MEMBERS (For more members, please use another sheet)

Name	Relationship to applicant/s	Date of Birth
1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____

## Section 2: Sources of Income

***A household includes, (i) the applicant; (ii) any person with whom the applicant is living in a spousal relationship (including same-sex spousal relationship); and (iii) any person over the age of 17 expected to be residing with the applicant at the time of initial occupancy of the home, (with the exception of a full time student).***

List all household incomes **exactly** as they appear on the supporting documentation (if more than one income, provide each of the incomes separately, then provide the total on the line below). If one spouse does not have an income, provide written confirmation.

### Household Annual Income

Source of Income	Applicant's Gross Monthly Income	Co-Applicant's Gross Monthly Income	Other occupants of the home	Other occupants of the home
	\$	\$	\$	\$
	\$	\$	\$	\$
	\$	\$	\$	\$
Total	\$	\$	\$	\$

## Section 3: Program Eligibility

Please answer the following:

Are you 18 or over?	<b>Yes</b>	<b>No</b>
Are you currently a renter within the City of Hamilton?	<b>Yes</b>	<b>No</b>
Have you been renting within the City of Hamilton for at least the last 6 months?	<b>Yes</b>	<b>No</b>
Do you or your co-applicant currently own a home or have financial interest in a home?	<b>Yes</b>	<b>No</b>
Do you or your co-applicant currently have financial interest in a property? If so, what?	<b>Yes</b>	<b>No</b>
Are you a first-time home buyer? (Not a program requirement)	<b>Yes</b>	<b>No</b>
Has mortgage financing (pre-qualified) been obtained (by a Federally recognized bank or credit union)?	<b>Yes</b>	<b>No</b>

**Are you currently living in social housing or involved in a rent-geared-to-income program?** Yes  No

**Are you a full time student in student rental housing?** Yes  No

**Section 4: Property to be Purchased**

PLEASE NOTE: Home may be purchased ONLY after receipt of the letter of conditional eligibility.

**No Agreement of Purchase and Sale dated before the letter of conditional eligibility will be accepted.**

**Section 5: Signatures**

I/we hereby declare and certify that the above information is complete, correct and true. I/we understand that this is an application for a forgivable loan under the Hamilton Down Payment Assistance Program, the purpose of which is to allow the City of Hamilton to determine if the purchaser and the home are eligible. Final confirmation of eligibility will be provided by the City of Hamilton.

Personal information contained in this form or any attachments hereto is collected by the City of Hamilton under the provisions of the *Municipal Freedom of Information and Privacy Act*, and will be used to determine eligibility for the Hamilton Down Payment Assistance Program. The applicant acknowledges that the information in the application and attachments may become available to the Province and used for program evaluation purposes.

IN THE EVENT OF FALSE OR MISLEADING INFORMATION, THE CITY OF HAMILTON AS SERVICE MANAGER HAS THE RIGHT TO DISQUALIFY THE APPLICANT(S) AT ANY TIME.

FUNDING APPROVAL IS SUBJECT TO AVAILABILITY OF INVESTMENT IN AFFORDABLE HOUSING FUNDING FROM THE PROVINCE OF ONTARIO AND THE GOVERNMENT OF CANADA.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

The following supporting information **MUST** be part of this application (to the satisfaction of the City of Hamilton) Photocopies **MUST** be clear:

- Photo Identification (Driver's License, Passport)
- Proof of Status in Canada<sup>1</sup>
- Proof of Age
- Mortgage pre-qualification
- 2017 Notice of Assessment from Canada Revenue Agency
- Current verification of income from all sources (*issued in the last 60 days*)
- Rent receipt(s) for last 6 months including address and owner's name
- Photocopied Identification for all Dependents (*if applicable*)

**Incomplete forms will not be considered eligible.**

FOR SERVICE MANAGER USE ONLY	
This application is <b>eligible</b> for a conditional commitment.	
_____ Signature	_____ Date
This application is <b>not eligible</b> for a conditional commitment.	
_____ Signature	_____ Date

*Application Revised April 2018*

<sup>1</sup> Proof of Status in Canada: Canadian Birth Certificate, Canadian Passport, Canadian Citizenship Card, Immigration Papers or Sworn Affidavit

## Appendix A – Household Income Supporting Documentation

Household Income	Required Documents
<p><b>1) Paid Employment</b></p> <ul style="list-style-type: none"> <li>◦ Full-time, part-time or casual</li> <li>◦ Commissions, tips or bonuses</li> <li>◦ Illness and/or disability pay</li> </ul>	<ul style="list-style-type: none"> <li>◦ Copy of the last notice of assessment <u>and</u>;</li> <li>◦ Letter from employer on letterhead indicating monthly income or average earnings or;</li> <li>◦ Pay stubs for at least two months or;</li> <li>◦ Cheque stubs from disability, pension or insurance.</li> </ul>
<p><b>2) Self-Employment</b></p> <ul style="list-style-type: none"> <li>◦ Tutoring</li> <li>◦ Babysitting or Child Care</li> <li>◦ Taxi</li> <li>◦ Small Business</li> <li>◦ Other</li> </ul>	<ul style="list-style-type: none"> <li>◦ Copy of last notice of assessment</li> </ul>
<p><b>3) Pensions and Allowances</b></p> <ul style="list-style-type: none"> <li>◦ Old Age Security (OAS)</li> <li>◦ Canada Pension Plan (CPP)</li> <li>◦ Pensions – Widow’s Retirement, War Disability, Other</li> <li>◦ War Veterans Allowances (DVA)</li> <li>◦ Training Allowance</li> <li>◦ Ontario Disability Support Program (ODSP)</li> </ul>	<ul style="list-style-type: none"> <li>◦ Copy of last notice of assessment <u>and</u>;</li> <li>◦ Cheque stub or copy of cheque or;</li> <li>◦ Statement from issuing source or;</li> <li>◦ Direct bank deposit: <ul style="list-style-type: none"> <li>- Copy of pass book entries for previous two months or monthly bank statements,</li> <li>- Letter from government agency issuing the cheque</li> </ul> </li> </ul>
<p><b>4) Other Income</b></p> <ul style="list-style-type: none"> <li>◦ Workplace Safety and Insurance Board (WSIB)</li> <li>◦ Employment Insurance (EI) and Ontario Works (OW)</li> <li>◦ Basic Income Pilot</li> <li>◦ Compensation for Victims of Crime</li> <li>◦ Alimony, child support, or separation payments</li> </ul>	<ul style="list-style-type: none"> <li>◦ Copy of last notice of assessment <u>and</u>;</li> <li>◦ Cheque stub or letter from source of income, or;</li> <li>◦ Sworn affidavit with both the applicant and ex-spouses signature or legal statement/letter from lawyer or;</li> <li>◦ Copy of assessment form and confirmation of other earnings.</li> </ul>



Appendix B – Step by Step Guide to the Hamilton Down Payment Assistance Program

# Hamilton Down Payment Assistance Program Step – by Step Guide



## Step 1:

Complete and return the Application Form, along with your supporting material and documentation of your mortgage pre-qualification, to:

City of Hamilton – Housing Services Division  
181 Main Street West, 3rd Floor  
Hamilton, ON L8P 4S1  
ATTENTION-Housing Loans Officer

Completed applications along with document can also be emailed to [affordablehousing@hamilton.ca](mailto:affordablehousing@hamilton.ca).

Supporting material includes copies of your photo identification to confirm date of birth; rent receipts for the last six months; verification of your income and mortgage pre-approval.

Completed applications will be reviewed on a “first come, first served basis”. **Applications without complete documentation will not be evaluated unless all supporting documentation has been completed and submitted.**

## Step 2:

Your application will be reviewed by Housing Services Division staff. If you are found to be eligible for the Program, you will be issued a letter of conditional eligibility, subject to purchasing conditions (e.g. price of house) and the availability of funding within the budget.

## Step 3:

Start looking for your home. Your house must be purchased within 90 days of approved eligibility letter and may be valued up to \$375,000.

## **Step 4:**

**Remember Offers to Purchase MUST be conditional on funding. If available funding runs out before you are approved, there is no guarantee of a homeownership loan.**

## **Step 5:**

Provide a copy of your conditional Offer to Purchase on a qualifying home immediately to Housing Services Division staff in order to confirm funding availability.

## **Step 6:**

Accepted offers will be received and funding provided on a **“first come, first serve basis”**. Accepted offers will not be considered complete and will not be funded until **all** supporting documentation has been satisfactorily received.

## **Step 7:**

Homebuyers sign Loan Agreement with the City of Hamilton as Service Manager (in the presence of their lawyer. Arrangements will be made to transfer funds on the date of closing.

## **Step 8:**

On closing day, your lawyer will receive the approved funding from the City of Hamilton as Service Manager.

## **Step 9:**

Congratulations! MOVE IN!!!

**YOU MUST CONTACT US IF YOU PLAN TO SELL YOUR HOME OR REFINANCE.**

## Appendix C – Questions and Answers

# Hamilton Down Payment Assistance Program



## QUESTIONS AND ANSWERS

### Q. Who is eligible?

Applicants:

- must be 18 years or older;
- must have rented in Hamilton for at least the last 6 months . A tenant /renter is defined as a person who leases or rents a premise from a landlord. The premise rented is often an apartment, room or house. Tenant/renter includes a person who pays rent in return for the right to occupy a rental unit. *(Student housing renters are not eligible for this program);*
- do not currently own a home or property;
- be a legal resident of Canada and intend to have this home as their one and only residence;
- must be qualified for a mortgage by a recognized bank or credit union. (Go to your bank or a mortgage lender and talk to someone to see if you qualify for a mortgage. If you do not qualify, you cannot apply for down payment assistance);
- have a combined maximum annual gross household income of \$80,000 (all adult non-student members of the household - please note: a household can be defined as any of the following):
  - the individual making the application, or;
  - any person the individual is living with in a spousal relationship, including same sex spousal relationship
  - any person over the age of 17 expected to be residing with the applicant at the time of initial occupancy of the home (with the exception of a full time student).
- do not have, and are not in a spousal relationship (including a same-sex spousal relationship) with a person that has any form of interest in ownership of a property.

**Q. What does the Homeownership program offer?**

Eligible households may receive financial assistance to be used as a down payment to purchase a newly built or resale home

- Ten percent (10%) down payment assistance is provided to individuals or households:
- funds provided are a 20-year interest free<sup>1</sup> and payment free loan subject to some conditions and rules

**Q. What type of home can I buy?**

- Homes may be newly built or resale
- New build homes purchased must be eligible for TARION's new home warranty
- The home purchases cannot exceed the maximum price of \$375,000
- Dwellings may be single detached, semi-detached, condominium, townhouse or row house
- Mobile homes are **not eligible**

**Q. What if I already bought my house, can I still get the forgivable loan, after the fact?**

- No Agreements of Purchase and Sale dated before eligibility confirmation from the City will be accepted.

**Q. How do you determine my income if I am self-employed?**

- Income from self-employment will be reduced by all deductions allowed by the Canada Customs and Revenue Agency, except for the following:
  - Capital cost allowances for the depreciation of assets
  - Rent paid by the individual, where the individual operates the business from the unit and childcare expenses

**Q. Do I have to go through an assigned real estate agent?**

- No, there is not a specific real estate agent or broker for this program.

**Q. Is this loan required to be repaid?**

- If the house is sold or the loan is prepaid within 20 years, you will need to repay the original amount of the down payment assistance PLUS ten percent (10%) of the capital gain (capital gain defined as difference between original purchase price and current market appraised value or fair market value purchase price).

- If the home is sold after 20 years, the down payment assistance is considered a forgivable loan – there would be no required repayment or capital appreciation payment.

**Q. What if I sell the house before 20 years and get less than I paid for it?**

- The loan is forgiven and you do not have to repay it if:
  - the home is sold for less than the original price,
  - the transaction is at arm's length, and
  - the City of Hamilton is satisfied the sale is at fair market value

**Q. Am I allowed to stay in the home and pay the loan back before the 20 years is up?**

- Yes, households may pay the loan back at any time but:
  - the original amount of the down payment assistance PLUS 10% of the capital gain established by an appraised value of the home must be paid in full
  - partial payments are not allowed
  - you must pay all costs associated for appraisals/discharges/processing

**Q. If I don't currently live in Hamilton, can I still participate in the homeownership program?**

- No. One purpose of this program is to free up much needed rental space in Hamilton.

**Q. Where can I obtain an application form?**

You can get an application form on our website – [www.hamilton.ca/social-services/housing/homeownership-down-payment-assistance-program](http://www.hamilton.ca/social-services/housing/homeownership-down-payment-assistance-program) or at the Housing Services Division Office at 181 Main Street West, 3rd Floor, Hamilton, ON L8P 4S1

**Q. What must accompany the completed application form?**

- Please see Appendix A for a full list of supporting documents. Photocopies must be clear. Please make sure that you have the following attached to your application:
  - ✓ Photo Identification (Driver's License, Passport) for applicant and co-applicant
  - ✓ Proof of Status in Canada<sup>2</sup>
  - ✓ Proof of Age
  - ✓ Proof of Mortgage Qualification
  - ✓ Proof of household income from all sources (2017 Notice of Assessment from Canada Revenue Agency AND current pay stub)

---

<sup>2</sup> Proof of Status in Canada: Canadian Birth Certificate, Canadian Passport, Canadian Citizenship Card, Immigration Papers or Sworn Affidavit

- ✓ Rent receipt(s) for last 6 months including address and owner's name
- ✓ Photocopied Identification for all Dependents (*if applicable*)

**Q. I am a student in student housing. Am I eligible?**

- ✓ One of the primary goals of this program is to free up much needed residential rental space for permanent Hamilton renters. Students in student rental units are not eligible for this program.

---

<sup>i</sup> If you sell or otherwise dispose of your home within 20 years you must repay the original amount of the down-payment assistance PLUS ten percent (10%) of the capital gain (capital gain defined as difference between original purchase price and current market appraised value)