



City of Kingston – County of Frontenac Home Ownership Program 2019 Program Guidelines

The Home Ownership Program (HOP) provides down payment assistance to residents currently renting a self-contained dwelling and seeking to purchase a home within the City of Kingston or County of Frontenac. The eligibility criteria, general terms of the program, and application process are set out below.

Program Eligibility Criteria and Terms of Funding

The following thirteen (13) bullet points outline the program eligibility criteria and terms of funding:

- The funding is available only for the down payment on the purchase of a home.
- The funding cannot be used for any construction financing or any other purpose.
- Approved applicants must provide a fully executed Agreement of Purchase and Sale within sixty (60) days of receipt of the Letter of Conditional Approval; the closing date may be beyond sixty (60) days.
- The funding will be paid directly to the home purchaser's solicitor in-trust on the day of closing.
- The maximum amount of the funding will be ten per cent (10%) of the purchase price of the home to a maximum of \$30,000.00.
- The funding will be in the form of a twenty (20) year interest-free forgivable loan registered on title of the property.
- The home purchaser will be responsible for covering all costs associated with finalizing the purchase of the home, including legal fees, land transfer tax, registration of documents on title, and any other related costs.
- All resale homes must have a home inspection completed at the expense of the home purchaser and provide verification of same (i.e. copy of inspection summary page and invoice).
- The funding will be forgiven and can be discharged at the request and expense of the home owner on the twentieth (20th) anniversary date of the home purchase.
- The funding plus ten per cent (10%) of the capital property appreciation will become payable if at any time prior to the twentieth (20th) anniversary any of the following occurs:
 - The home is no longer the sole and principal residence of the home owner; or
 - The home is sold, transferred or disposed of; or
 - The home owner wishes to refinance the home for an amount greater than the original primary mortgage amount; or
 - There is any other default of the funding agreement.

- Should the funding become payable, the City may at its expense, commission an appraisal of the property in order to determine the fair market value and the property appreciation.
- The home owner must provide confirmation of their continued residency on an annual basis or upon request by the City of Kingston.
- Any misrepresentation may result in an applicant being deemed ineligible.

Household Eligibility Criteria

The following ten (10) bullet points outline the household eligibility criteria:

- At least one member of the household must be eighteen (18) years of age.
- The household must currently be renting a self-contained unit that will be re-rented within the City of Kingston or the County of Frontenac.
- The household must not currently own a home or have a vested interest in any real estate.
- The household must be purchasing their sole and principal residence.
- The combined total gross income of the adult household members must be at or below \$84,800.
- The combined total assets of the adult household members must not be above \$10,000; assets include recreational vehicles, luxury vehicles (i.e. assessed value greater than \$30,000), non-registered investments and cash held in bank accounts. Registered retirement assets are exempt.
- The household members must be Canadian citizens, landed immigrants or have refugee claimant status and must be able to provide supporting documentation.
- The household must have a valid mortgage pre-approval from a primary lending institution.
- An application with mortgage pre-approval supported by a co-signer or guarantor is not eligible.
- Each adult household member must provide documentation as listed in the following seven (7) bullet points:
 - Recent Notice of Assessment (2017 or 2018);
 - Verification of current income (i.e. two recent paystubs or a letter from employer);
 - Verification of current banking information (i.e. two months for all bank accounts);
 - Verification of rental status in the City of Kingston or County of Frontenac (i.e. a current lease or letter from Landlord);
 - Photo Identification (health card cannot be accepted);
 - Mortgage pre-approval must be submitted with the completed application on letterhead and signed by a representative of the primary lending institution; and,
 - Verification of full time attendance in school, if applicable.

Eligible Home Purchases

The following six (6) bullet points outline the eligible home purchase criteria:

- The home must be located within the City of Kingston or the County of Frontenac.
- The home may be new or resale.
- The purchase price of the home cannot be higher than \$300,000.

- Homes must be single residential units which may include detached, semi-detached, condominiums, limited equity co-operatives, or row houses.
- Mobile homes are not eligible.
- Multi-residential properties, such as duplexes and triplexes, are not eligible.

Application and Selection Process

The following ten (10) bullet points outline the application and selection process:

- All applicants must complete the application form in full and provide the supporting documentation as required, and submit in the time and manner set out on the application form.
- Only complete applications with all required documentation and signatures will be reviewed for eligibility.
- Once a complete application has been deemed eligible it will be held for consideration and approved on a first-come, first-serve basis. If there are any remaining applications, they will be placed on a waiting list in order of submission date.
- Approved applicants will receive a Letter of Conditional Approval and will have sixty (60) days to provide a fully executed Agreement of Purchase and Sale; the closing date of the purchase may be beyond the sixty (60) days.
- Upon receipt of a fully executed Agreement of Purchase and Sale, the home purchaser will receive a Letter of Conditional Approval specifying the exact amount of funding to be paid to their solicitor, in-trust, on the closing date.
- Home purchasers will be required to sign a loan agreement which sets out the terms of the funding prior to any funds being paid in-trust to their solicitor. Agreements will be registered on title at the home owner's expense on the closing date.
- If the approved applicant is unable to provide a fully executed Agreement of Purchase and Sale within sixty (60) days, the funding allocation will be withdrawn and the applicant will no longer be eligible to receive the funding.
- If funding becomes available, the next eligible applicant on the waiting list will be contacted and provided a Letter of Conditional Approval.
- Applications will continue to be received, evaluated and funding assigned until all funding has been allocated.
- When all funding has been expended, eligible applicants remaining on the waiting list will be advised accordingly.

Please see the "2019 Application Form" for submission details.

If you require more information please call telephone number 613-546-2695 extension 4949 or email housing@cityofkingston.ca.