

First-Time Home Buyer Incentive Program

Key Features:

- The FTHBI Program allows eligible first-time homebuyers, who have the minimum down payment for an insured mortgage, to apply to finance an additional portion of their down payment. This can be done through an incentive of either 5% or 10% secured by a shared equity mortgage with the Government of Canada (registered as a second mortgage). Purchase closing date must be on or after November 1, 2019.

Fast Facts:

Incentive options:

- 5% for a purchase of a re-sale home; or
- 5% or 10% (customer choice) for purchase of a new construction.

Borrowing Qualifications

- Canadian citizen or permanent resident or non-permanent resident who is legally authorized to work in Canada.
- At least one borrower must be a first-time home buyer.
- Property must be located in Canada – owner-occupied with year-round occupancy.
- Total qualifying annual income cannot exceed \$120,000 (all borrowers).

Down Payment

- Must have a minimum down payment of 5% from traditional sources – total down payment with the Incentive must be less than 20%.

Maximum Purchase Price

- The purchase price cannot exceed 4 times the qualifying annual income plus total down payment (minimum down payment plus Incentive amount)
- Total borrowing (insured mortgage amount + Incentive amount) cannot exceed 4 times the total qualifying annual income.

First-Time Home Buyer*

- Never purchased a home; or
- Recently gone through a marital or common-law breakdown (even if they don't meet the other FTHB requirements); or
- Not occupied a home that they or their current spouse or common law partner owned in the last 4 years

Amortization

- **Insured:** Maximum 25 years

Loan Repayment

- Repayment is required after 25 years of when the property is sold, whichever comes first.
- Repayment based on either 5% or 10% of the fair market value of the property as assessed at the time of repayment.

Eligible properties

- Must be owner occupied as a Principal Residence
- New construction or existing properties
- Property must have year round access

Documentation Requirements

- signed government consent form, found on the government's dedicated website must be included with the application.

Exclusions

- Scotia Total Equity Plan (STEP)
- Preapprovals
- Default management purposes
- Rental Financing
- Mortgages under any other specialty financing programs, including, but not limited to:
 - Family Home Purchase Program
 - On Reserve Lending Program
 - Renovation Financing

Additional Notes

- When submitting an application to Scotiabank: In the comment section of the application, ensure to indicate the customer would like to apply for the 5% or 10% incentive.
- For additional program related information or to obtain the government consent form, visit the government's dedicated website: www.placetocallhome.ca/fthbi or call the FTHBI hotline at 1-877-884-2642.

*As defined by the Government of Canada.

Scotia Mortgage Authority

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