

??? Questions and Answers ???

- Q.** My parents are willing to give me some help with the down payment, is this allowed?
- A.** Absolutely. This is called a non-repayable gift and I have a simple standard letter that has to be filled out for these circumstances. Gifts in Canada are non-taxable (see gift letter).
- Q.** I want to save up my down payment over the next several months. Can I still go ahead and buy a new home from a builder and not take ownership until next summer or fall?
- A.** Yes you can. We call this graduated deposits. The benefit of doing this is that the purchase price of the new home is locked in and will not go up.
- Q.** I have heard that you have to be on the job for 1 full year before you can get approved. Is this correct?
- A.** Not entirely. You need to be in the same line of work for at least 1 year. So if you worked at another company doing basically the same work and you are off probation at your present employment then there should not be any problems.
- Q.** I just finished college or university and am now employed in the line of work that I studied for but I have not been on the job yet for 1 year – am I still able to purchase a home before the year is up?
- A.** Yes. As long as you are employed in the field for which you studied there is a very good chance you will be approved.
- Q.** A couple of years ago I had some credit problems and got behind in my payments. Everything was paid off over 1½ years ago and since then my credit has been good. What are my chances of being approved?
- A.** Very good. Lenders understand that a lot of people go through some tough times in their lives. If your bad debts have been paid off and you have maintained good credit for over 1½ years then there is a very good chance you will be approved.
- Q.** Unfortunately I went bankrupt several years ago and I have been discharged for 2 years. Am I able to be financed?
- A.** As long as you have been discharged and have re-established some credit we have a number of alternate lenders that will help you out..
- Q.** I have a fair amount of money in my RSP. Can I use this for my down payment?
- A.** If you have not owned and lived in your primary place of residence for the past 5 years then you can withdraw up to \$20,000 each out of your RSP. As long as you put the money back into your RSP over the next 15 years then it is not considered taxable income. (see tax refund flyer)