



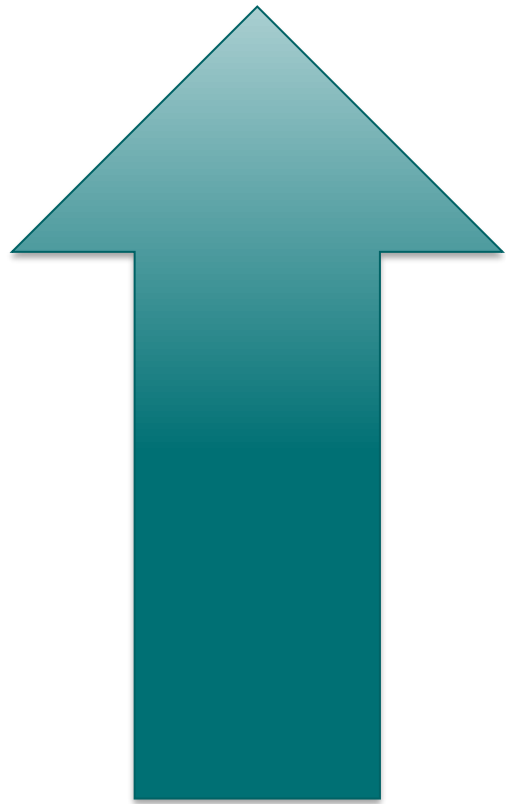
# HOUSING HUB

**BUILDING PARTNERSHIPS. BUILDING HOMES.**





# HousingHub purpose



- Increase the supply of affordable housing for middle-income earners
- Create affordable homes—both for rent and for purchase
- Through new construction or through the redevelopment of existing sites

HousingHub  
Affordable Rental &  
Homeownership  
Program



## Building BC Funds



## Affordable Rental & Homeownership Program



Addressing Homelessness

Housing with Support Services

Social Housing

Rent Assistance in the Private Market

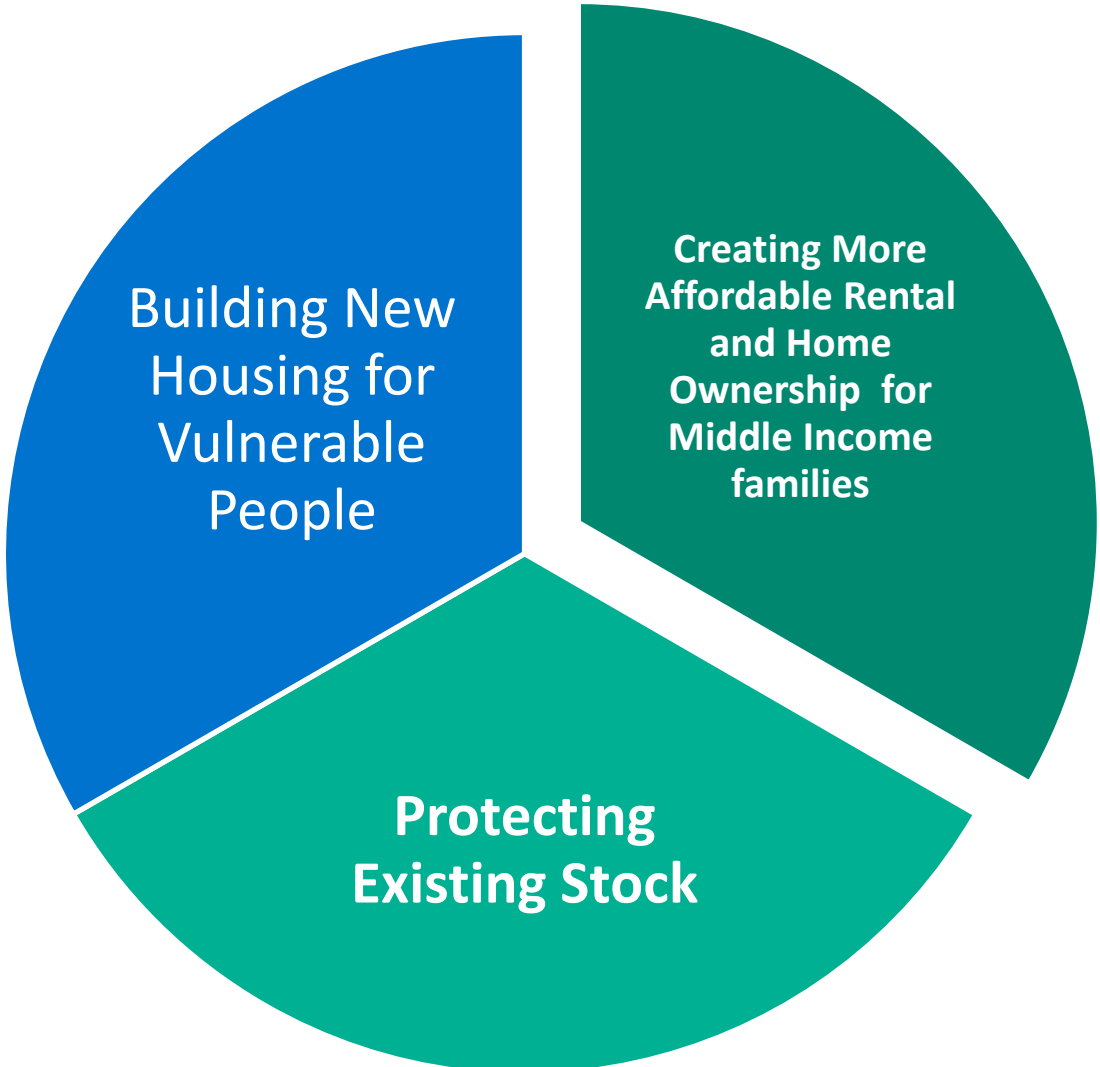
Affordable Rental Housing

Affordable Homeownership





# Affordable Housing Solutions



# HOUSING HUB

BUILDING PARTNERSHIPS. BUILDING HOMES.

## Programs:

- Affordable rental housing – Provincial Rental Supply Program
- Owner purchase housing – Affordable Homeownership Program (AHOP)

## Methodology:

- Low cost financing / increased Loan to Cost ratios
- Increase the new housing supply

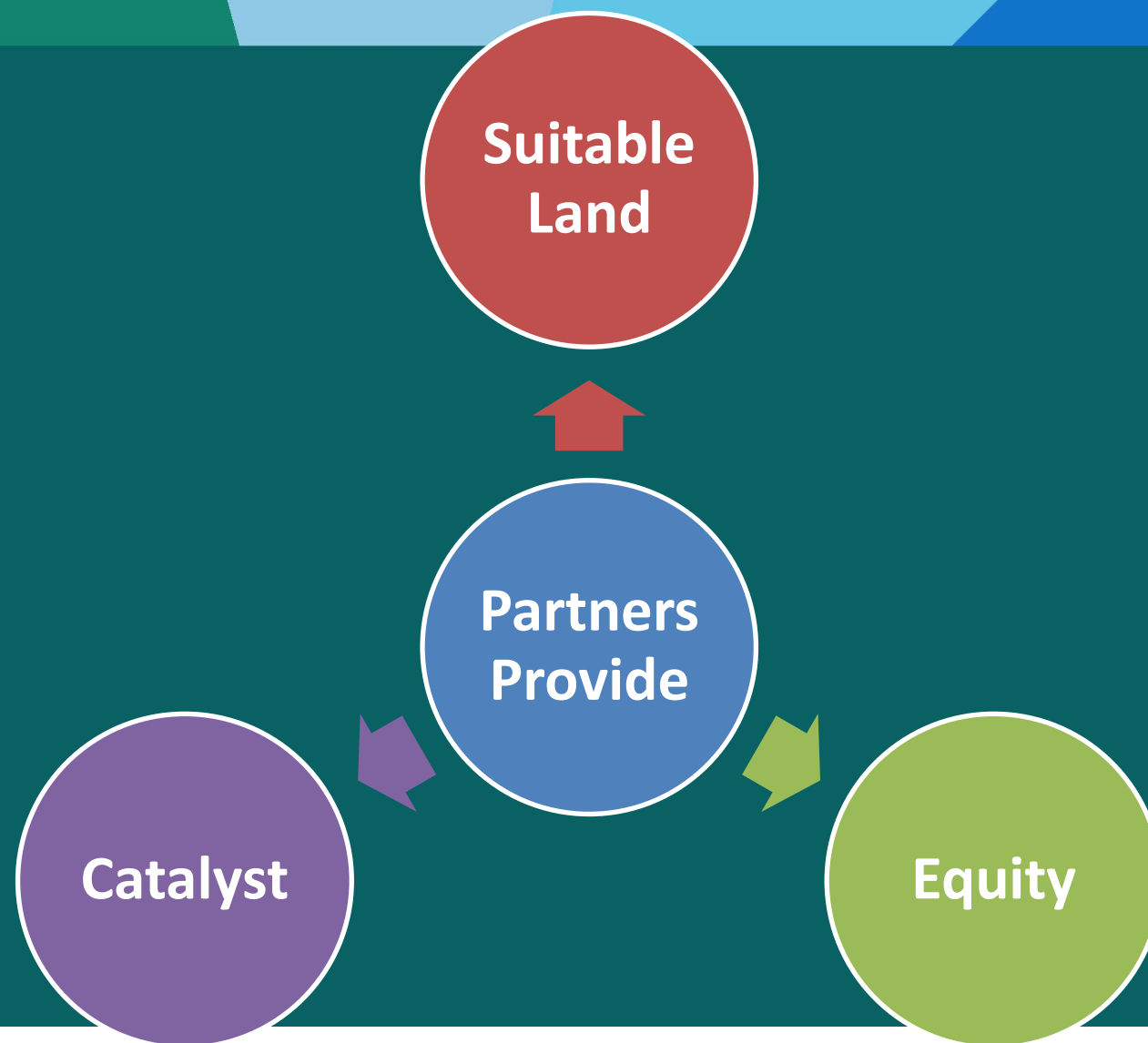
# Collaborating to Build New Affordable Housing



# What does BC Housing Provide?



# What do Partners Provide?







## Partnership with the Kelowna Developer

	Capital Budget
Total Capital Costs	\$45,734,729
<i>HousingHub Interim Construction mortgage</i>	\$39,500,000
Total Equity from Developer	\$6,234,729
<b>Total Loan to Cost</b>	<b>86.36%</b>



Kelowna's North End,  
148 units



## Partnership with the Kelowna Developer

Projected Average Monthly Rent	Project Annual Income
1 Bedroom - \$1,200 (60 units)	\$48,000
2 Bedroom - \$1,729 (87 units)	\$69,160
3 Bedroom - \$3,200 (1 unit)	\$128,000
<b>Total Average - \$1,525</b>	<b>\$60,979</b>



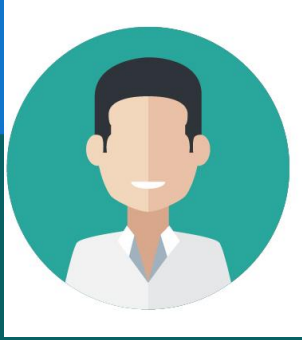
Kelowna's North End,  
 148 units

## Partnership with the Squamish Developer

	Capital Budget
Total Capital Costs	\$17,069,346
<i>HousingHub Interim Construction mortgage</i>	\$14,314,604
Total Equity from Developer	\$2,754,742
<b>Total Loan to Cost</b>	<b>83.86%</b>



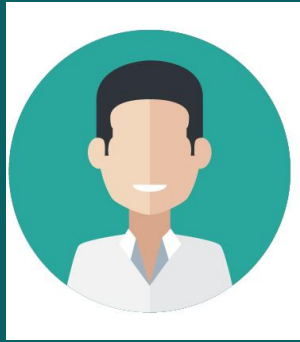
Squamish, Downtown North  
40 units



# AHOP (Affordable Home Ownership Program)



# COMPARISION



Market Value: +\$500,000  
Second Mortgage: - \$ 50,000  
Down Payment: - \$ 25,000  
(Minimum Equity 5%)  

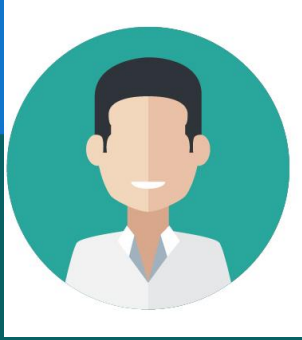
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Mortgage: **\$425,000**

Market Value: +\$500,000  
Second Mortgage: \$ 0  
Down Payment: - \$ 25,000  
(Minimum Equity 5%)  

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Mortgage: **\$475,000**



Living in BC for the past 12 Months



Household Income does not exceed middle income limits

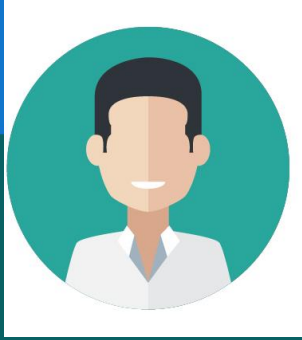
## Eligibility



Does not own Interest in Property



Canadian Citizen or Permanent Resident



Sale or Change  
in Ownership



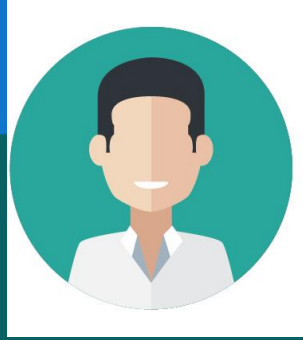
Default on the 1<sup>st</sup>  
Mortgage

## Repayment

End of Term  
(25 years)



No Longer Principle  
Residence



# WHERE DOES THE SECOND MORTGAGE COME FROM?



# PARTNERSHIPS



**MUNICIPALITIES**

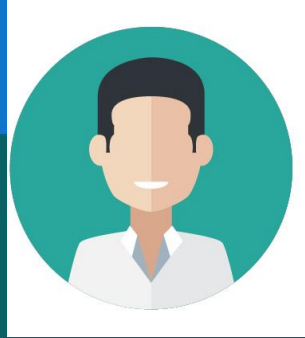


**BC HOUSING**

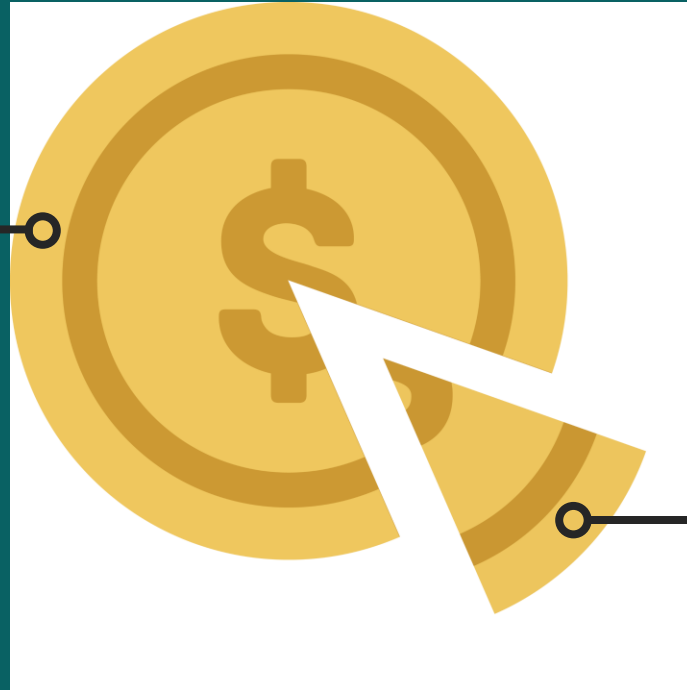


**DEVELOPERS**

# HOME PURCHASE

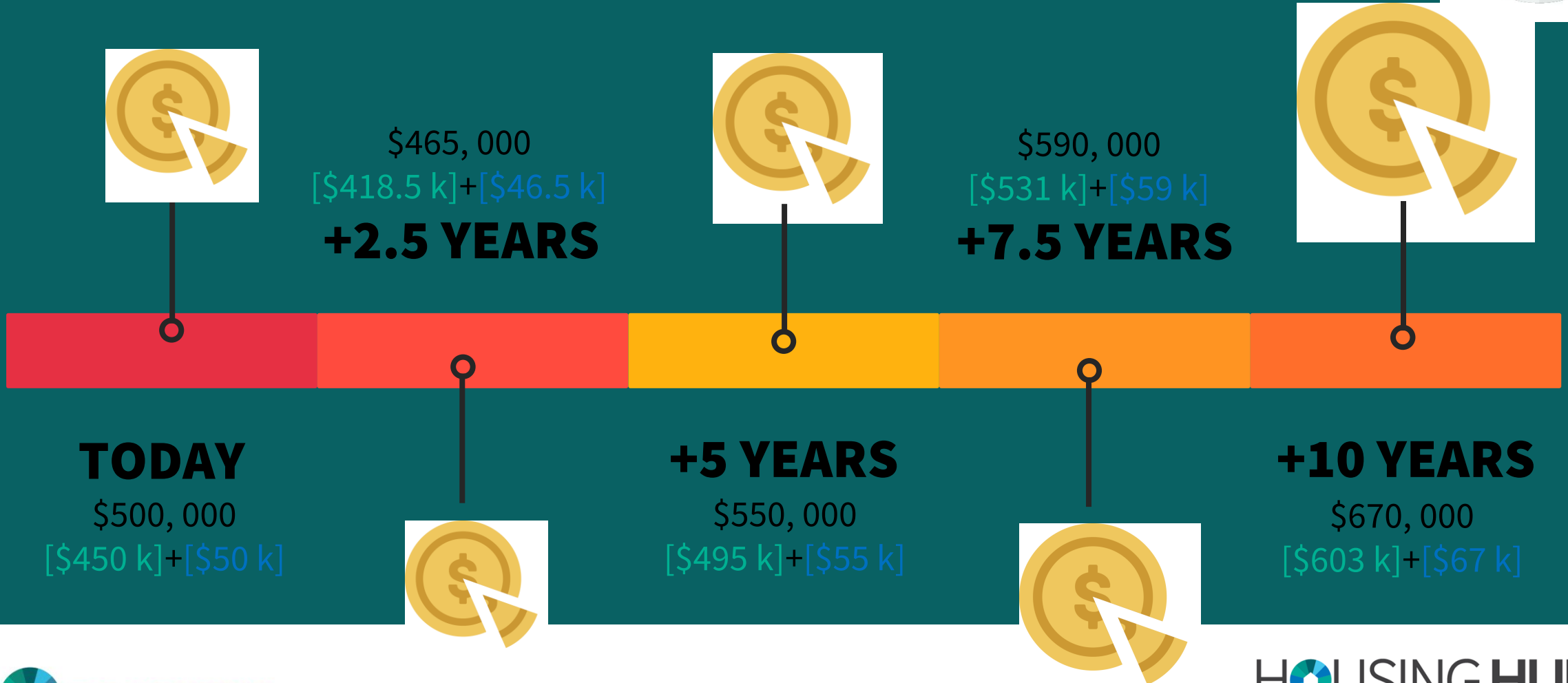
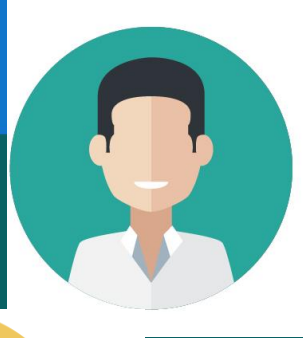


**\$450,000 (90%)  
Down Payment  
& 1<sup>st</sup> Mortgage  
(Home Owner)**

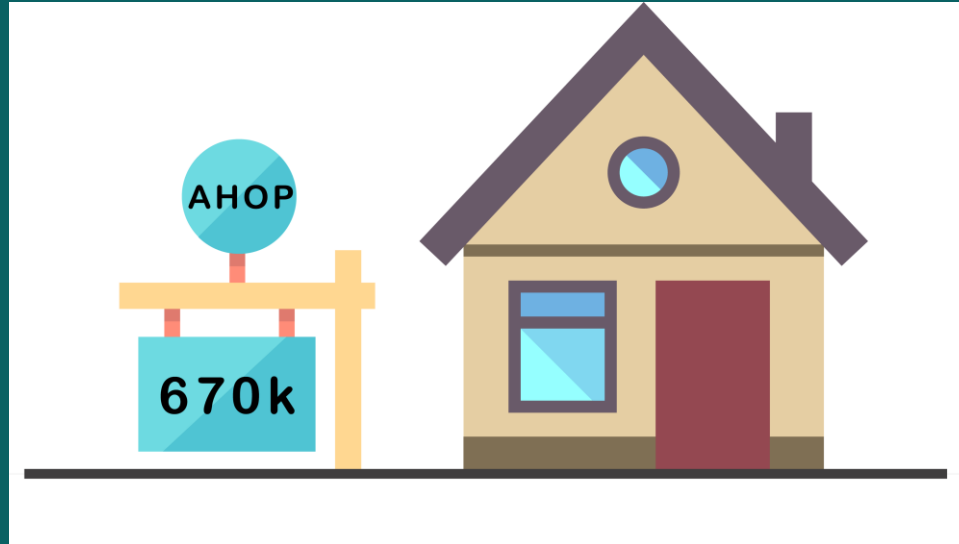
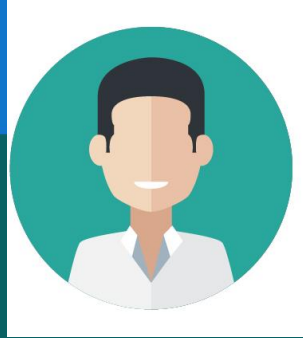


**\$50,000 (10%)  
2<sup>nd</sup> Mortgage  
(BC Housing)**

# VALUE OF THE HOME

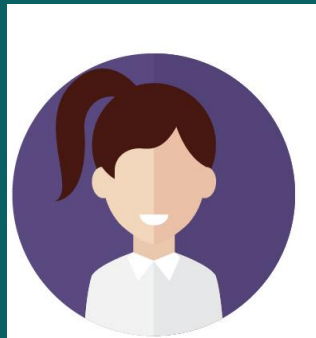


# SELLING THE HOME



## Scenario 1:

Qualified for the AHOP Program



## Scenario 2:

Not qualified for the AHOP Program



# WHAT'S IN THIS FOR DEVELOPERS, MUNICIPALITIES, AND BC HOUSING?



# Benefits

## Increasing the Supply of Affordable Home Ownership Options



**2<sup>nd</sup> Mortgage Reinvested  
into the Community's  
Affordable Housing Funds**

# Questions