

Expensive real estate: Need help from the city buying a home?

Forget Vancouver -- try Ontario, Quebec or Texas

BY MATTHEW ROBINSON, VANCOUVER SUN FEBRUARY 27, 2016 2:43 PM



The City of Montreal offers cash up to \$6,250 per home to eligible first-time buyers, and households with at least one child get a full refund of their real estate transfer tax.

Photograph by: cenz07 - Fotolia, cenz07 - Fotolia

Homes may be astoundingly expensive in Vancouver, but they're pretty pricey in other cities across North America as well.

While tax breaks and incentives for homebuyers can be found at provincial, state and federal levels, some local governments have found their own ways to chip in.

Here's a snapshot of some of the ways municipalities are helping out.

Montreal, Quebec

The City of Montreal offers cash up to \$6,250 per home to eligible first-time buyers, and households with at least one child get a full refund of their real estate transfer tax. Experienced buyers also get the refund.

The deals apply to new or used homes and exclusively residential buildings up to a maximum purchase price that include up to 3 above-ground dwelling units. (For buildings with 2 or 3 above-ground dwelling units, at least one of them must be offered for rent). They also get a break on entry into the city's renovation programs.

As a bonus throw in from the city, families in the program receive six months of free transit if they buy a year pass.

The average price of homes in Montreal was \$338,000 in January, according to the Canadian Real Estate Association. Montreal had a \$4.88-billion budget for 2015. For the sake of comparison, that amount of cash could buy about 14,440 homes in La Belle Ville.

Austin, Texas

The City of Austin gives two options to eligible first-time homeowners keen on buying within city limits: a \$14,999 forgivable, 0 per cent interest loan, or up to \$40,000 with a shared equity loan.

Those shared equity loans have no interest and are forgiven after 10 years provided the home is not sold, rented, transferred or refinanced with cash back but the shared equity remains for a 30-year term.

Austin's real estate market has been one of the hottest in the U.S. in recent years, and the city's median listing price on realtor.com was US\$409,000 on Friday. Austin's 2015 budget was US\$3.5 billion. That cash could buy 8,560 Bat City homes.

Kingston, Ontario

The City of Kingston opens up its public coffers to help eligible renters afford a down payment. It doesn't offer up a whole lot of cash. In 2015 buyers could receive just five per cent of their purchase price up to a maximum of \$14,000, but it's enough to help some folks into the market.

Prospective buyers can't have a vested interest in any other real estate or — as of 2015 — make more than \$80,400 a year, and they need to buy a home priced at \$280,000 or less. The city found enough cash last year to help about a dozen renters buy homes.

Truly insignificant! - cjk

Kingston's 2015 budget was \$338 million and homes were selling for about \$285,000 that year according to realtor Brent Cook. That budget is equivalent to the price of nearly 1,190 local homes.

Arlington, Texas

First-time homebuyers or anyone unfortunate enough to be from a federally declared disaster area in the U.S. might want to consider buying in Arlington. The city's homebuyer assistance program offers buyers a forgivable loan of \$7,500 toward down payment and closing costs, and anyone buying in a "revitalization area" can get as much as \$10,000.

The loan has 0 per cent interest and is payable only for homes that are sold, refinanced with cash out or leased in the first five years after it was bought. The program is for low income buyers who can put a minimum of \$1,000 towards their purchase.

The median listing price on realtor.com for "The American Dream City" was US\$212,000 on Friday. Arlington posted a US\$426-million budget for 2015. That's the equivalent of about 2,010 local homes.

Vancouver, British Columbia

No assistance offered. Have you checked with mom and dad?

Vancouver homes were priced at an average of nearly \$1.08 million in January, according to the Canadian Real Estate Association. Vancouver's 2015 budget was about \$1.2 billion. That's equivalent to roughly 1,110 local homes.

mrobinson@postmedia.com

© Copyright (c) The Vancouver Sun