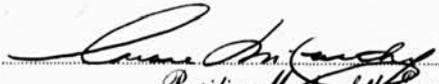


*The Committee of Council submit for the consideration of
His Honour the Lieutenant-Governor a Bill intituled*

"Home Purchase Assistance Act"

*and advise that the same be transmitted by Message to the
Legislative Assembly.*

Victoria, 27th day of May, A.D. 1976


Presiding Member of the Executive Council.

Approved this 27th day of May, A.D. 1976

W. S. Deves
Lieutenant-Governor.

Handwritten initials

W.S. Owen
Lieutenant-Governor

First Session, Thirty-first Parliament
25 Elizabeth II, 1976
Legislative Assembly of British Columbia

BILL 49
HOME PURCHASE ASSISTANCE ACT

Honourable Minister of Housing

2

EXPLANATORY NOTE

The purpose of this Bill is to revise the programme presently operated under the *Provincial Home Acquisition Act* to provide more selective assistance to be co-ordinated with other Provincial housing programmes and the forms of assistance available under the *National Housing Act* (Canada).

BILL

No. 49]

[1976

Home Purchase Assistance Act

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of British Columbia, enacts as follows:

Interpretation.

1. In this Act

- "co-operative residence" means a self-contained dwelling unit in a housing project
- (i) consisting of self-contained dwelling units, and
 - (ii) owned by a co-operative association incorporated under the *Co-operative Associations Act*;
- "eligibility committee" means the committee established under section 15;
- "grant" means a grant under this Act in the prescribed amount;
- "loan" means a loan under this Act in the prescribed amount;
- "minister" means that member of the Executive Council charged by order of the Lieutenant-Governor in Council with the administration of this Act;
- "mobile home" means a self-contained dwelling unit designed to be mobile and to be used as a permanent place of residence as prescribed by the regulations;
- "mobile home park" means land used or occupied by a person for the purpose of providing spaces for the accommodating of 2 or more mobile homes owned or being purchased by other persons where
- (i) a charge or rental is imposed for the use of that space, and
 - (ii) the mobile home is assessed and taxed in the name of the owner or purchaser of the mobile home;
- "residence" means a self-contained dwelling unit of a kind referred to in section 7 or 12.

Qualifications for Assistance

Application of Act.

2. (1) A grant or loan in respect of a residence may be made only to a person who purchased or completed construction of the residence on or after the date this Act came into force.

(2) A grant in respect of a co-operative residence may be made only to a shareholder of the co-operative association who purchased his shares on or after the date this Act comes into force.

Occupation of home.

3. A person is not entitled to a grant or a loan in respect of a residence unless

- (a) he and his household occupy the residence as his ordinary place of residence,
- (b) the application for the grant or loan is made within one year after the date he first so occupies the residence, and
- (c) he certifies that he intends to so occupy the residence for not less than 5 years.

**Residence
require-
ment.**

4. A person is not entitled to a grant or a loan unless he or his spouse
- (a) has ordinarily resided in British Columbia for a continuous period of 2 years immediately prior to purchase of the residence, or
 - (b) was born in British Columbia and is a Canadian citizen at the time of application, or
 - (c) has ordinarily resided in British Columbia for a continuous period of at least 5 years at any time, and is a Canadian citizen at the time of application.

**N.H.A.
subsidy.**

5. A person who is in receipt of financial assistance under the Assisted Home Ownership Program, the Rural and Remote Program, or any other program under the *National Housing Act* (Canada) designated by the regulations, in respect of a residence is not entitled to a grant or loan in respect of that residence.

**Assistance
once only.**

6. A grant or loan shall not be given to a person who, or whose spouse, has formerly been given either a grant or a loan under this Act or the *Provincial Home Acquisition Act*, a leasehold mortgage under the *Leasehold and Conversion Mortgage Loan Act*, or a special subsidy from the Government under the *Department of Housing Act* in connection with a program referred to in section 5.

Loans

Loans.

7. Subject to this Act and the regulations, a loan may be made to a person who is the owner of a fee simple estate in

- (a) a parcel of land, shown on a taxation roll as a separate parcel for the purpose of property taxation under the *Municipal Act*, the *Taxation Act*, or the *Vancouver Charter*, having situated on it not less than one self-contained dwelling unit, or
- (b) a strata lot as defined in the *Strata Titles Act*,

the cost and size of which is within the limits prescribed for the class of residence it is and for the region of the Province in which it is situated.

**Equity in
residence
for loan.**

8. A loan in respect of a residence may be made only to a person whose equity in the residence equals at least 5% of the cost of the residence, or such other percentage as may be fixed by the regulations.

**Mortgage
loan.**

9. (1) A person obtaining a loan shall give to the Crown a second mortgage satisfactory to the minister on the residence in such form and containing such terms as may be prescribed by the regulations.

(2) A registrar shall not, except as may be authorized by the regulations, allow registration of

- (a) a transfer of the fee simple estate in land, or
- (b) an agreement to transfer the fee simple estate in land, or
- (c) a sub-lease or assignment of lease of land,

that has registered against it a mortgage under this section.

**Interest
rates.**

10. (1) The specified interest rate in a mortgage shall be the specified interest rate prescribed in regulations on the date the application is received, but shall not exceed such rate of interest as is required in respect of insured loans under the *National Housing Act* (Canada).

(2) Subject to subsection (1), a mortgagor who qualifies under the regulations shall repay a mortgage at such eligible payment rate as the eligibility committee may from time to time approve in accordance with the regulations.

(3) The difference between the payment required at the specified interest rate and the eligible payment shall be called a deferred loan, which shall be credited to the mortgage account and be accumulated in a special account that does not bear interest.

(4) Where a mortgagor

- (a) disposes of his interest in the residence, or
- (b) by refinancing, increases his indebtedness secured against the residence,

he shall repay to the minister the balance outstanding on the mortgage account and the total of the deferred loan.

(5) Subsection (4) does not apply where the eligibility committee is satisfied that the refinancing will serve to protect the Crown's security in the residence.

**Protection
of security.**

11. (1) The minister may, to protect the Crown's security interest in a residence, exercise the same rights and remedies that any other mortgagee may exercise, including the purchase of prior encumbrances, foreclosure and purchase of the mortgaged residence and may compromise or write off all or part of an indebtedness.

(2) Without restricting the generality of subsection (1), where a mortgage securing a loan is foreclosed and the mortgagor has not paid to the Crown the deficiency, including principal, interest, taxes, costs, deferred loan and expenses payable under the mortgage, the minister may issue and file with the Supreme Court or a County Court a certificate stating the amount of the deficiency and the name of every person liable to pay it.

(3) A certificate filed under subsection (2) has the same force and effect and proceedings may be taken on it as if it were a judgment of the court for the recovery of a debt due to the Crown in the amount stated in the certificate against the person named in it.

Grants on New Homes

- Grants.** 12. (1) Subject to this Act and the regulations, a grant may be made to a person who is the owner or purchaser of
- (a) a residence of a kind referred to in section 7, or
 - (b) a mobile home situated in a mobile home park, or
 - (c) shares in a co-operative association that entitle him to the possession of a co-operative residence
 - (i) owned by the co-operative association, and
 - (ii) having a capital value equivalent to the capital value of his shares in the co-operative association, or
 - (d) a self-contained dwelling unit situated on a Provincial reserve, as defined in the *Indian Act* (Canada), occupied by an Indian as defined in the *Indian Act* (Canada), or
 - (e) a self-contained dwelling unit situated on Crown land that is assessed and taxed pursuant to the *Taxation Act*, the *Municipal Act*, or the *Vancouver Charter*,
- the cost and size of which is within the limits prescribed for the class of residence it is and for the region of the Province in which it is situated.
- (2) Subsection (1) applies only where the applicant for the grant is the first occupant of the residence.

- Repayment of grant.** 13. A person who receives a grant and who, before the expiration of 5 years from the date of entitlement to the grant as determined under the regulations, disposes of his interest in the residence shall
- (a) notify the minister in accordance with the regulations, and
 - (b) repay the minister the amount of the grant less 20% of that amount for each complete year the person occupied the residence after the date of entitlement to the grant.

General

- Purchase from family.** 14. A person who becomes the owner or purchaser of a residence by acquisition from a member of his family is not entitled to a grant or loan unless the eligibility committee is satisfied that the acquisition is bona fide and for full consideration.

Eligibility committee.	<p>15. (1) The minister may establish an eligibility committee comprised of 3 persons appointed by him.</p> <p>(2) Subject to this Act and the regulations, the eligibility committee shall determine whether an applicant is entitled to a grant or a loan and the amount of the grant or loan and perform such other duties as the minister may designate.</p>
Minister's powers.	<p>16. The minister may, with the consent of the Lieutenant-Governor in Council,</p> <p>(a) fix maximum and minimum costs and sizes of residences for eligibility for grants and loans, which may be different for different regions of the Province, for different classes of residences and for new or older residences, and</p> <p>(b) divide the Province into regions and classify residences for the purposes of this Act and the regulations.</p>
Regulations.	<p>17. (1) The Lieutenant-Governor in Council may make regulations.</p> <p>(2) Without restricting the generality of subsection (1), the regulations may</p> <p>(a) prescribe the requirements to be fulfilled in satisfying the eligibility committee of qualifications for a grant or loan,</p> <p>(b) fix the maximum amount of grants or loans,</p> <p>(c) prescribe the method of securing grants on residences by filing in the land registry office and the method of securing grants on co-operative residences, mobile homes situated in mobile home parks and residences on Crown land, in lieu of filing in the land registry office, and</p> <p>(d) define words and expressions used in this Act and not defined in it.</p>
Funding.	<p>18. Out of the fund established under section 7 of the <i>Provincial Home Acquisition Act</i> there may be paid</p> <p>(a) money required for the administration of this Act, and</p> <p>(b) grants payable to municipalities under a municipal incentive grant program established under the <i>Department of Housing Act</i>.</p>
Offence.	<p>19. (1) A person who applies for and receives a grant or loan to which he is not entitled under this Act is guilty of an offence and liable on summary conviction to a fine of not more than \$2,000.</p> <p>(2) A person who receives a grant or loan to which he is not entitled under this Act shall forthwith repay the amount as a debt due the Crown.</p>
S.B.C. 1967 c. 39 ss. 2B and 2C.	<p>20. The <i>Provincial Home Acquisition Act</i> is amended</p> <p>(a) by adding the following sections after section 2A:</p>

No further
Assistance.

2B. No loans or grants shall be made under this Act unless the application is received by the Minister on or before November 30, 1976.

Assistance
once only.

2C. A grant or loan under this Act shall not be given to a person who, or whose spouse, has been given a grant or loan under the *Home Purchase Assistance Act*.

(b) in section 5 by adding the following after subsection (2):

(2a) No notice under subsection (2) shall be accepted by the Minister after November 30, 1976.

(2b) A person who has received a grant under this Act and who,

(a) after November 30, 1976, but

(b) before the expiration of 5 years from the date of entitlement to the grant,

disposes of his interest in the eligible residence, shall

(c) notify the Minister in accordance with the regulations, and

(d) repay the Minister the amount of the grant.

(c) in section 5A by repealing paragraph (a) and substituting the following:

(a) a mortgage securing a loan under this Act is foreclosed; and, and

(d) in section 8 by inserting the following after paragraph (f):

(f1) prescribing methods of securing grants and loans on eligible residences in addition to or in lieu of the methods prescribed in sections 5 and 5B; .

Printed by K. M. MACDONALD, Printer to the Queen's Most Excellent Majesty
in right of the Province of British Columbia.

1976