SHANE HOMES

IN PARTNERSHIP WITH

Spark Financial Group

FIRST-TIME BUYER ADVANTAGE

Get up to $50,000 back on a brand new Shane home.

Two federal programs work together for first-time buyers of new construction. Neither one applies to a resale home.

1. THE GST REBATE
First-time buyers pay zero GST on a new build up to $1,000,000. That is the full 5% back, up to $50,000. Between $1M and $1.5M the rebate scales down. It is normally credited by the builder at closing.

2. THE RRSP HOME BUYERS' PLAN
A buyer can borrow a lump sum, park it in an RRSP for 90 days, then withdraw up to $60,000 tax free as a down payment ($120,000 for a couple). Claiming that contribution at tax time returns roughly $6,000 to $20,000.

How it works, start to finish

01 **Borrow and deposit**
A short-term loan goes straight into an RRSP and sits for 90 days.

02 **Shop right away**
Offers can be written immediately. Possession just needs to be 90+ days after the deposit.

03 **Withdraw tax free**
Pull the funds out under the Home Buyers' Plan and use them as the down payment.

04 **Claim the refund**
The RRSP deduction returns thousands at tax time.

05 **Claim the GST rebate**
Up to $50,000 back on the new build.

06 **Repay the loan**
The refund and rebate clear the loan. Whatever is left is yours.

Ask us to run your numbers. It takes ten minutes.

Shane Homes | Spark Financial Group | Calgary, Alberta

SCAN TO SEE IF YOU QUALIFY

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THE NUMBERS

What you get back, price by price

Single buyer, household income around $110,000. A couple can use up to $120,000 of RRSP between them, which increases the refund column.

HOME PRICE	MIN. DOWN PAYMENT	RRSP YOU CAN USE	TAX REFUND	GST REBATE	TOTAL BACK
$500K	$25,000	$25,000	$7,625	$25,000	**$32,625**
$600K	$35,000	$35,000	$10,675	$30,000	**$40,675**
$700K	$45,000	$45,000	$13,725	$35,000	**$48,725**
$800K	$55,000	$55,000	$16,775	$40,000	**$56,775**
$900K	$65,000	$60,000	$18,300	$45,000	**$63,300**
$1.0M	$200,000	$60,000	$18,300	$50,000	**$68,300**
$1.1M	$220,000	$60,000	$18,300	$44,000	**$62,300**
$1.2M	$240,000	$60,000	$18,300	$36,000	**$54,300**
$1.3M	$260,000	$60,000	$18,300	$26,000	**$44,300**
$1.4M	$280,000	$60,000	$18,300	$14,000	**$32,300**
$1.5M	$300,000	$60,000	$18,300	$0	**$18,300**

Comparing new to resale?
A $700,000 new Shane home with $35,000 of GST back competes directly with a $665,000 resale listing, and you get a brand new home with a warranty. Resale buyers receive none of this.

Disclaimer: this handout is general information only and is not financial, tax, legal or mortgage advice. Figures are illustrations, not quotes or guarantees. GST rebate amounts follow the federal First-Time Home Buyers' GST Rebate: full 5% back up to $1,000,000, phasing to zero at $1,500,000. Tax refund figures assume the full RRSP contribution is deducted in one year at a 30.5% marginal rate. Speak with a licensed mortgage professional, your accountant and your lender before acting. Programs and eligibility rules can change without notice.

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