

# FAQ's

## PEIHRP

### Q. What programs are available?

#### **Home Renovation Program-**

Is open to anyone who is eligible and whose home is in need of major repairs. Please see the list below to find out if you are eligible.

**The maximum forgivable loan amount is \$12,000.**

#### **Home Renovation Program for Persons with Disabilities-**

Is open to anyone with a disability who is eligible and needs to modify their home to accommodate their disability.

**The maximum forgivable loan amount is \$16,000.**

#### **Emergency Home Repair Program-**

Is open to anyone who is eligible and whose home is in a state that is dangerous to their life and safety.

**The maximum forgivable loan amount is \$6,000.**

Please see the list below to find out if you are eligible.

## **Eligibility questions**

**Q. I am a homeowner; can you tell me if I am eligible for the program(s)?**

**A. You are eligible for the PEI Home Renovation Programs if:**

- Your home is in need of major repairs in one, or more, of the following areas:
  - Heating
  - Electrical
  - Structural
  - Plumbing
  - Fire safety
- Your home is valued at, or below, \$175,000, according to the PEI Taxation and Property Records assessed value;
- Your home has been owned by you for at least five years;
- The property is the homeowner's primary residence;
- You do not have an outstanding tax balance greater than one year from the application date;
- Your mortgage is not outstanding greater than two months from the application date;
- You have a current home insurance policy on the property, and;
- Your annual household income falls at or below the income amounts based on your family size. Please see the chart below for details.



**Q. How can I calculate my total household income?**

**A.** The total household income means the total Net Income found on line 236 from the Canada Revenue Agency Notice of Income Tax Assessment. A CRA Notice of Income Tax Assessment is required for all occupants in the home over the age 18, except for full time students up to the age of 25.

A sample of the Notice of Income Tax Assessment line 236 is shown on the page below.



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Date	Name	Social Insurance no.	Tax year	Tax centre
Apr 30, 2012	Freeat33.com	123 456 789	2012	Ottawa, Ontario K1A 0A9

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Summary

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Line	\$ Amount
150 Total Income.....	00,000 <b>5</b>
Deductions from total income.....	000
236 Net Income.....	00,000
260 Taxable Income.....	00,000
<b>6150 Total Ontario non-refundable tax credits</b> .....	<b>000</b>
420 Net federal tax.....	0,000.00
<b>428 Net Ontario tax</b> .....	<b>0,000.00</b>
435 Total payable.....	0,000.00 <b>6</b>
437 Total income tax deducted.....	0,000.00
448 CPP Overpayment.....	00.00
482 Total Credits.....	0,000.00
(Total payable minus total credits).....	(000.00)
Balance from this assessment.....	CR 000.00
Direct deposit.....	CR 000.00 <b>7</b>

William V. Baker  
Commissioner of Revenue

Date	Name	Social Insurance no.	Tax year	Tax centre
Apr 30, 2012	Freeat33.com	123 456 789	2012	Ottawa, Ontario K1A 0A9

2008 RRSP Deduction Limit Statment

The back of this notice contains important information. Amounts marked with an asterisk (\*) cannot be less than zero.

RRSP deduction limit for 2007.....	\$00,000
Minus: Allowable RRSP contributions deducted in 2007.....	\$000
Unused RRSP deduction limit at the end of 2007.....	\$00,000
Plus: 18% of 2007 earned income of \$00,000 = (max. \$19,000).....	\$0,000
Minus: 2006 pension adjustment.....	\$0 .. 0,000 *
	\$00,000.00
Minus: 2008 net past service pension adjustment.....	\$0
Plus: 2008 pension adjustment reversal.....	\$0
Your RRSP deduction limit for 2008.....	\$0,000 (*A)

You have \$0 (B) of unused RRSP contributions available for 2007. If this amount is more than amount (A) above, you may have to pay a tax on the excess contributions.

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For self employed or seasonally employed individuals, the CRA Notice of Income Tax Assessment, line 236 from the prior year may be used for income verification. However, if Income has changed over the last 3 years, the CRA Notice of Income Tax Assessment for each of the last 3 years income can be submitted. In order to determine eligibility for the programs, an average of the last 3 years will be calculated to determine the applicant's income.

To obtain a copy of the Notice of Income Tax Assessment, contact:

<http://www.cra-arc.gc.ca> or call 1-800-959-8281.

**Q. I have received a PEIHRP forgivable loan in the past, am I eligible for the program again?**

**A.** The homeowner(s) may apply more than once to receive up to the maximum forgivable loan available under the PEI Home Renovation Program, as funding permits. Once the homeowner receives the maximum forgivable loan amount, the homeowner(s) must wait 10 years to re-apply. (For example: If you applied to the Home Renovation Program and the maximum loan allowed is \$12,000: and the previous assistance you received was \$10,000: then, you may be eligible to receive the difference of \$2,000 as funding permits.

**Q. Where can I find out if my disability is eligible for financial assistance?**

**A.** Physical disabilities will be considered a disability once a physician or an occupational therapist completes a PEIHRP Medical Assessment Form and confirms the disability and provides recommendations to improve the individual's ability to live within their own home. A physical inspection by the PEIHRP Building Technician of the home will confirm that there are in fact repairs directly related to the disability that would be eligible under Persons with Disabilities Home Renovation Program.

**Q. What type of emergency is considered eligible for the PEI Emergency Home Repair Program?**

**A.** Emergencies that cause the home to be in a state that is dangerous and an immediate threat to the occupant's safety.

**Q. What supporting documents are required to accompany my application?**

**A.** The following documents below are required along with your application form:

**Proof of Income:**

The current year's Notice of Income Tax Assessment from Canada Revenue Agency is the required document by all occupants in the home over the age 18, except for full time students up to the age of 25.

To obtain a copy of the CRA Notice of Income Tax Assessment, contact: Canada Revenue Agency at <http://www.cra-arc.gc.ca> or call 1-800-959-8281.

**Proof of Property/Home Insurance:**

A copy of your Homeowner Insurance Policy verifying current policy coverage dates or a letter from your Home Insurance Agency providing verification. In the event that an Insurance Company refuses to insure your home, then a written statement on company letterhead stating the reasons you are unable to be insured can be submitted to our office for review.

**Q. What is a “forgivable loan”?**

**A.** A “forgivable loan” means that the homeowner(s) does not have to repay the loan on the condition that they meet the terms and conditions stated in the Promissory Note provided upon approval. The “loan forgiveness period” begins after all repairs have been completed and payment has been issued. The “forgiveness period” is for the duration of 5 years following completed and paid repairs.

**Q. I’m a homeowner. What are the terms and conditions to which I must adhere to?**

**A.** If approved for a PEI Home Renovation forgivable loan, a homeowner(s) must meet the conditions stated in the PEIHRP Forgivable Loan Approval Agreement and the PEIHRP Promissory Note (if applicable). If approved, the homeowner(s) is/are completely responsible for the quality and adequacy of any repairs carried out under the loan approval, and agrees that in no event shall PEIHRP, the PEI Housing Corporation, the Government of PEI and the Government of Canada, or any of them, be liable to anyone in whole or in part for the repairs or any part of the repairs, including any loss or claim by anyone that may result from the repairs. PEIHRP makes no representation or warranty for the repairs or any part of the repairs. Without limiting the foregoing, the homeowner(s) is/are completely responsible for the quality, adequacy and fitness for purpose of any materials, supplies, goods or services involved in the repairs, which includes responsibility for ensuring compliance with any and all applicable regulatory requirements, including any building code, electrical code, safety code, municipal bylaw or provincial or federal regulation or statute.



**Q. Where can I find out if my house assessed value is at or below \$175,000.**

**A.** Contact the PEI Department of Finance, Energy and Municipal Affairs Taxation and Property Records Division at 902-368-4070. The Property Tax Assessment notice will indicate the property value.

**Q. Which parts of the PEIHRP process are eligible for funding?**

**A.** The cost of repairs approved by the PEIHRP Building Technician including labour, material, applicable taxes, legal fees, building permits, certificates, drawings and specifications. Each program has a maximum forgivable loan amount available and any costs above that amount are not eligible for funding.

**Q. Are there any modifications under the Persons with Disability Home Renovation Program that are not eligible for funding?**

**A.** Only modifications which are directly related to the disability of the occupant are eligible. Any repairs carried out prior to loan approval will not be eligible for funding.

**Q. What happens if I need more modifications than the maximum loan amount will cover?**

**A.** The homeowner(s) may choose to have those repairs done. If they chose to, then the homeowner must pay their portion first and their portion will be used to pay the first invoice submitted.

**Q. Do I hire a contractor or does PEIHRP?**

**A.** The homeowner(s) are responsible for hiring a contractor. It is recommended that the homeowner(s) get an agreement in writing outlining the work that is to be completed. You can request a copy of a helpful tips sheet on "*How to Hire a Contractor*".

**Q. How long do I have to get the approved renovations completed?**

**A.** Repairs must be started within 2 months and completed within 8 months from the date of the commitment or the loan may be cancelled. For the PEI-Emergency Repair Program, repairs must be completed within 3 months from the approval of financial assistance.

**Questions about Municipal bylaws and building codes.**

It is the responsibility of the homeowner to ensure that the repairs meet the requirements of the local authority having jurisdiction, (i.e. Provincial Building Code, Municipal By-Laws, etc.) In the absence of such requirements, the requirements of the National Building Code of Canada shall be used as a guide. Certificates of Acceptance (CA) must be provided for plumbing, electrical, septic and HRV.

**Q. Can I hire a relative, friend, neighbor to complete the modifications?**

**A.** Yes, however the individual must be capable to complete the repairs satisfactorily to meet industry standards. If the homeowner does their own repairs, PEIHRP assistance is only available to cover the costs of materials as the homeowner(s) cannot be paid for their own labour.

**Q. How do I apply for the programs?**

**A.** Applications are available at all Access PEI locations listed below:

<a href="#">Charlottetown</a> , 33 Riverside Dr. (902)-368-5200	<a href="#">O'Leary</a> , 45 East Dr. (902)-859-8800
<a href="#">Souris</a> , 15 Green St. (902)-687-7000	<a href="#">Summerside</a> , 120 Harbour Dr. (902)-888-8000
<a href="#">Alberton</a> , 116 Dufferin St. (902)-853-8622	<a href="#">Tignish</a> , 103 School St. (902)-882-7351
<a href="#">Montague</a> , 41 Wood Islands Rd. (902)-838-0600	<a href="#">Wellington</a> , 48 Mill Rd. (902)-854-7250

Our web site: [www.gov.pe.ca/homerenov](http://www.gov.pe.ca/homerenov).

Our office at:

**PEI Home Renovation Programs**  
**161 St. Peters Rd.**  
**Charlottetown, PE**