

Loans to Prospective Home Owners.—Loans are extended through approved lending institutions with the Federal Government advancing 25 p.c. of the total. The Act has been amended to provide for loans payable over a period up to thirty years with the amount based on a maximum of 95 p.c. of the first \$3,000, 85 p.c. of the second \$3,000, and 70 p.c. of the remainder of the lending value when the purchase price is predetermined and approved by the Central Mortgage and Housing Corporation. When the latter condition is not met a higher equity is payable. The maximum loan for a single family-dwelling has been increased from \$7,000 to \$8,500.

Integrated Housing.—This plan involves an agreement with a builder to build houses at a controlled sales price for veterans preference. The Central Mortgage and Housing Corporation gives priority assistance and undertakes to purchase houses not sold within six months of the completion date. The provisions governing the size of the loan are the same as for prospective home owners.

Co-operative Housing.—The terms under which loans are made to co-operative groups intending to build housing projects are unchanged (see p. 456, 1946 Year Book). There were no formal applications in 1947.

Rental Housing.—To encourage the construction of rental housing, the Act was amended in March, 1947, to provide depreciation for a period of ten years at double the rates normally allowed for income tax purposes for approved types of dwelling comprising four or more family dwelling units.

Direct Loans.—The Act was amended to enable the Central Mortgage and Housing Corporation to make direct loans for home ownership, rental housing, or rural housing, if, in its opinion, joint loans are not available.

Limited Dividend Companies.—The Act provides for loans to limited dividend companies for the construction of low rental housing. During 1947, one new project was approved. The high level of building costs has deterred the development of low rental housing. During 1947, Housing Enterprises of Canada, Limited, suspended operations because they could not meet the cost levels originally contemplated.

Loans to Primary Producers for Housing of Employees.—Terms remain the same for loans to companies building housing quarters for employees engaged in primary production (see p. 585, 1947 Year Book).

Land Assembly.—The Act was amended in 1947 for the purpose of authorizing approved lending institutions to acquire, improve and sell land for residential purposes. During 1947, four such projects were approved.

Slum Clearance.—Due to the extreme shortage of housing accommodation during 1947, slum clearance projects were not pressed.

Farm Housing.—The section of the Act providing for loans to assist in the construction of rural housing was proclaimed in June, 1947. If there is no existing mortgage or encumbrance upon the farm, the loan is limited to the least of \$5,000, the cost of building the house, or two-thirds of the appraised value of the farm. If there is a mortgage or encumbrance, the loan is limited to the least of \$8,000, the sum of the cost of building the house and liquidating existing indebtedness, or two-thirds of the appraised value of the farm. Loans for new farm housing are repayable, over a period of up to 20 years, at 4½ p.c. per annum calculated semi-annually.