

lation to \$7,000 per student accommodated. Term of the loan may not exceed 50 years from date of the project's completion. The interest rate, prescribed by the Governor in Council, depends on the Government's borrowing rate which changes from time to time.

Guarantees.—Since 1955, loans to assist in financing the improvement of existing houses have been available under Sect. 24 of the National Housing Act. This Section authorizes CMHC to give a limited guarantee to banks or approved instalment credit agencies in return for an insurance fee paid by the borrower on loans made for additions, repairs and alterations to existing houses and apartments. A home improvement loan and the balance owing on any existing NHA home improvement loan on the property may not exceed \$4,000 for a one-family dwelling or \$4,000 for the first unit of a duplex, semi-detached, or multiple-family dwelling, plus \$1,500 for each additional unit. Loans are repayable in monthly instalments, together with interest, in not more than 10 years.

Investments.—Under Sect. 36 of the National Housing Act and complementary provincial legislation, the Federal Government and the government of a province may enter into a partnership agreement to build rental housing for families of low income. The Federal Government bears 75 p.c. of the capital costs and the provincial government the remainder, although the latter may call upon the municipality concerned to bear a portion of the provincial share. Federal-provincial rental housing projects are of two types—subsidized and full-recovery. In subsidized projects, rents are related to the tenant's family income and size of family; in full-recovery projects, rents are set at a level sufficient to amortize capital costs and to recover operating expenses.

A 1960 amendment to Sect. 36 permits the Government to supplement its federal-provincial low-rental housing program by making provision for the acquisition of existing housing stock. The amendment authorizes the Government to pay 75 p.c. of the cost of acquisition, improvement and conversion of these buildings for housing purposes. This financial assistance is available on condition that the existing accommodation is located in a section designated as an urban renewal area in an agreement between a province, a municipality in the province, and the Corporation. Remainder of the cost will be shared by the participating governments in the same manner as for new housing under this Section.

Under the same Section of the National Housing Act, the Federal Government and the government of a province may also enter into an agreement to provide for a land assembly project, which involves the development of raw land for housing purposes. After subdivision planning, installation of sewer and water lines and the construction of roads and sidewalks, serviced lots are made available for sale to prospective home owners or to builders for residential construction. The Federal Government pays 75 p.c. of the cost of such projects and the province concerned pays the remainder.

Corporation Building.—The Corporation may construct and administer housing and certain other buildings on its own account and for other government departments and agencies. Its responsibilities include the provision of architectural and engineering designs, the calling of public tenders and the administration of the construction contracts—including any necessary on-site surveys and engineering. On such contracts the Corporation carries out full architectural and engineering inspections.

Grants.—The Federal Government makes financial assistance available to municipalities for the study of existing conditions and the establishment of their needs for re-development and housing. Under Part V of the Act, the Corporation may arrange with a municipality to undertake either a city-wide study or a study in a specific area. In the case of city-wide investigation, the Government may provide as much as 75 p.c. of the cost and up to 50 p.c. for study of a limited area. Under Sect. 23, the Government may pay up to 50 p.c. of the cost of acquisition and clearance of an area marked for renewal.