

occupy it. In Canada two forms of co-operative housing are now generally known and provided for in the NHA: building co-operatives and continuing co-operatives. The former is made up of a group of people, usually numbering about five to 15, organized to construct houses which they will own individually. The form of ownership is the main difference in the continuing co-operative: the housing continues to be owned indefinitely by all members jointly. A co-operative of this type is usually organized to provide some form of multiple housing and the number of members is ordinarily larger — 25, 50 or more.

A building co-operative organized to construct houses to be owned individually by the members on completion may qualify for loan and grant assistance under the Assisted Home-Ownership Program if the incomes of the members meet the requirements of the Program. A continuing housing co-operative providing accommodation for low-income members may be eligible, under various provisions of the NHA, for start-up funds, for a 100% loan and a 10% contribution if it is a non-profit co-operative, for a loan under the terms and conditions of the Assisted Home-Ownership Program or for loans and grants under the Residential Rehabilitation Assistance Program.

During the year 728 units were approved under co-operative housing arrangements, almost double the 1973 total. The Corporation's support for 1974 activities, provided under the non-profit housing provisions of the NHA, amounted to \$19.8 million. Financial assistance included \$18 million in direct CMHC loans and \$1.8 million in grants to continuing non-profit co-operative associations.

Non-profit. A section of the National Housing Act is designed to make it easier for non-profit housing organizations to develop housing projects for people of limited means, particularly the elderly and the handicapped. A non-profit organization is one in which no part of the income is payable or otherwise available for the personal benefit of any proprietor, member or shareholder. Non-profit organizations may be provincially-municipally owned or constituted exclusively for charitable purposes. The latter group is eligible for start-up funds, not exceeding \$10,000 to ensure that the group is able to properly prepare a loan application to CMHC and to cover expenditures for research and organization, incorporation, site selection, options, professional fees and the technical skills required to put the project in place, selection of tenants and other costs.

Both categories of non-profit borrowers may apply to CMHC for a contribution not exceeding 10% of the cost of the project as estimated by CMHC at the time of application, less any forgivable federal residential rehabilitation loan or federal grants such as those made under the Local Initiatives Program or by the Department of National Revenue in the form of tax refunds. The cost may include both real estate and hard furnishings of the sort used in community buildings for social and recreational purposes. In the case of hostels, hard furnishings would include built-in and non-movable furniture and equipment.

Non-profit organizations formed exclusively for charitable purposes and those which are municipally owned may obtain loans to cover 100% of lending value. In the case of the provincial non-profit organizations, loans to the value of 95% of the lending value are available, with the borrower providing the other 5%. In all cases the 10% contribution from CMHC must be applied against the reduction of the loan. Income limitations will not be imposed on projects sponsored by non-profit organizations which cater to special disadvantaged groups such as the physically and mentally handicapped, the elderly and others whose housing choices in the market are extremely limited. In projects sponsored by non-profit organizations for clients with no special physical or mental disadvantages, income limitations may be required.

In 1974 loans were made to non-profit organizations for 4,388 dwelling units and 3,645 hostel beds for a total of \$125.0 million. The corresponding total for the previous year was \$95.0 million. Loans committed to non-profit organizations during the year supported the provision of low-rent accommodation for the elderly, low-income families and special groups. Included in the special groups category is housing for the mentally retarded, physically handicapped, halfway houses for persons recovering from alcohol addiction, and receiving homes for children who are wards of the courts.

Start-up funds. "Start-up" funds not exceeding \$10,000 a project were introduced in 1973 to assist potential sponsors to develop proposals for low-rental housing to be financed under the