

## **Owning A New Home Is Possible**

### **... And Sooner Than You Think!**

***Bank Of Montreal***

***Wants to help you buy your first home sooner!***

***"I don't have a downpayment."***

With the government of Canada Homebuyers Plan, you may withdraw up to \$20,000 each from your RSP to help build or buy your first home. The amount withdrawn is treated as a loan and is repaid over a 15 - year period, starting the 3rd year after the withdrawal. Example - If \$20,000. is removed from your RSP in 2000; starting in 2002, \$1333.33 will be added to your taxable income. If this amount is deposited to a RSP, your tax consequences are nil. If you do not have the funds available, \$1333.33 will be added to your taxable income.

***"I don't have funds available in an RSP."***

If you don't already have sufficient RSP balance, we can help to get you there. As long as the original 5% of purchase price is from your own saved funds, we can give you an RSP loan to "top up" to the maximum \$20,000. per person. Here is an example for you.

You have \$7500. available for your purchase of \$150,000. (5%)

Each of you obtain a loan for \$20,000., contribute the funds to an RSP.

File your tax returns, each claiming your RSP contributions

Based on a 35% tax bracket, your combined tax refunds will be \$14,000.

Now you have \$21,500 available to use as a down payment on your first home! This can save you \$thousands in mtg. insurance and funds available for "closing costs".

90 days after your RSP contribution, you may withdraw under the Homebuyers Plan and repay your bank loan.

We can make your RSP repayment easier by establishing an automatic monthly contribution, in this case \$111.11 monthly = \$1333.33 annually.

Bank of Montreal offers you more: more choices, more flexibility, more savings, more service. Our mobile mortgage specialists would be pleased you at the time and place YOU find convenient. We are available 7 days a week, 24 hours a day. Call us for a no-fee, no obligation pre-approval!

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