

Eligibility Requirements

The housing Subsidy will only apply to the sale of an **eligible residence**, as defined below.

Eligible Residence – is a dwelling unit located in the province of Saskatchewan, where the applicant:

- a. Occupies the dwelling unit as his/her principal residence;
- b. Is the owner or co-owner of the dwelling unit.

The subsidy will also apply to the sale of condominiums, mobile homes, or the lot formerly occupied by a mobile home, or an acreage or no more than 40 acres (used solely for residential/recreational, non-business purposes).

To be eligible for the Housing Subsidy, the property must be listed for sale on the Multiple Listing Service for 90 days. **If the employee relocation has resulted from job abolition or from a department-initiated transfer, that employee will be exempt from the 90 day listing requirement.** (An Exemption letter, must accompany the application.)

The completed Housing Subsidy application (and 90-day Exemption letter, if applicable) should be submitted by the employee as soon as possible after notification of relocation to the ministry's relocation coordinator.

Establishing Appraised Value

Step 1

The ministry will obtain a market value appraisal of the employee's principle residence upon receipt of the application. An independent appraisal, prepared by an AACI/CRA member of the Appraisal Institute of Canada will be utilized to establish market value. The appraiser selected will be mutually agreed to by both the employee and the ministry. The cost for this appraisal will be at the employer's expense.

Step 2

If the employee is not satisfied with the results of the initial appraisal (Step 1), he/she can opt to obtain a second appraisal, at their own expense. This appraisal must be completed by an AACI/CRA member of the Appraisal Institute of Canada. **If the employee chooses this option, the market value of the eligible residence will be based on an average of the two appraisals**, provided the difference between them is less than 10%.

If the difference between these two appraisals is greater than 10%, a third, independent appraisal from a member of the AIC, mutually agreed to by both parties, will establish the market value. The cost of this appraisal will be shared **equally** by the employee and employer. The established market value of this appraisal will be **final**.

Once an "appraised Market value" for subsidy purposes is determined, a letter of agreement will be forwarded from the ministry for employee's signature.

The letter of agreement will include:

- The agreed upon "appraised market value", and the 10% subsidy range
- Statements that the property is an eligible residence and that the property will be sold in an "arms length" transaction
- A Statutory Declaration to be executed at the time an Offer to Purchase is accepted

Approval of Housing Subsidy

If the employee accepts an Offer to Purchase that is **BELOW** the appraised market value, the employee will submit to the ministry the Statutory Declaration and a copy of the Offer to Purchase for approval of Housing Subsidy.

A final letter stating the employee's share of the Housing Subsidy, based on the Offer to Purchase, will be forwarded to the employee from the ministry. This will provide final approval for the Housing Subsidy.

Calculation of Housing Subsidy

When the eligible property is sold below the appraised market value, the ministry shall share the loss with the employee on a three (75%) to one (25%) basis, to a maximum of 10% below appraised market value. The ministry's share of the loss is 75%. (See **example calculations**)

If the employee accepts an Offer to Purchase which is at or above the appraised market value, the employee will inform the ministry and the appropriate Human Resource Service Team that they will not be accessing the Housing Subsidy Program.

Payment of Housing Subsidy

Upon verification by the ministry that Title of the eligible property has been transferred to the purchaser, the ministry will then forward a letter indicating final approval for the Housing Subsidy to the appropriate Human Resource Service Team for payment.

Extension

The market value appraisal obtained for the property is valid for 6 months from the effective date of the appraisal. If the eligible property has not sold within this 6 month period, a 6 month extension can be approved by the ministry at the request of the employee. The appraisal will then be deemed valid for one year from the effective date. Subsequent to the one-year expiry of the appraisal, the employee must repeat the procedures in the initial application process. Approval of exceptional circumstances pertaining the Housing Subsidy may be referred by the Chair to Treasury Board.

Housing Subsidy
90-day Exemption Letter

TO: Relocation Co-ordinator
Ministry of XXX
Regina, Saskatchewan xxx xxx
Phone (306) xxx xxx
Fax (306) xxx xxx

RE: Name of Applicant: _____

Eligible Residence: _____

This letter is to advise that the above applicant is exempt from the following policy, regarding eligibility requirements for the Housing Subsidy:

“To be eligible for the Housing Subsidy, the property must be Listed for sale on the Multiple Listing Service for 90 days.”

Human Resource Consultant

Date

(Please update and attach this letter to your application.)

Relocation Examples of Housing Subsidy Calculations

1. Appraised Market Value	\$ 85,000
Offer to Purchase	\$ 80,000
Loss on Sale	\$ 5,000
Housing Subsidy (75%)	\$ 3,750
Employee's Share of Loss (25%)	\$ 1,250
Employee Realized on Sale	\$ 83,750
2. Appraised Market Value	\$ 85,000
Offer to Purchase	\$ 76,500
Loss of Sale	\$ 8,500
Housing Subsidy (75%)	\$ 6,375
Employee's Share of Loss (25%)	\$ 2,125
Employee Realizes on Sale	\$ 82,875
3. Appraised Market Value	\$ 85,000
Offer to Purchase	\$ 75,000
Loss on Sale	\$ 10,000
Housing Subsidy (75%)	\$ 6,373
Employee's Share of Loss (25%)	\$ 3,625
Employee Realizes on Sale	\$ 81,375

*Maximum subsidy for home with an appraised value of \$85,000:

10% of \$85,000 = \$8,500

75% of \$8,500 = \$6,375

Housing Subsidy Application Form
Please complete all sections

Employee

Name

Current Home Mailing Address

Home Phone #

Work Phone #

Employer

Department/Branch

Address

Human Resource Contact:

Phone #:

New Location

Effective Date

Eligible Property

Names(s) of Owner/Co-owner

Civic Address

Legal Description

Legal Description

Listing Agent/Company

Phone #

Listing Price

Listing Date

Signature

Employee Signature

Date

Have you applied for Housing Subsidy prior to this application? _____ Yes _____ No

For more information or for assistance with your application, please contact your ministry's relocation co-ordinator.