

Evaluation of the First Time Home Buyer Incentive (FTHBI) — Management Response and Action Plan (MRAP)



Evaluation of the First Time Home Buyers Incentive (FTHBI) – Management Response and Action Plan (MRAP)

Evaluation findings, recommendations, and MRAP presented to Canada Mortgage and Housing Corporation's Executive Committee on: August 1, 2023

Recommendation	Management Response	Action Plan	Responsibility		Timeline
			Lead	Support	
<p>Recommendation 1: Implement changes to increase program uptake by:</p> <p>a. Reviewing and adjusting house price and income limits to support more first-time buyers.</p>	<p>We agree with this recommendation.</p> <p>Program changes on the design features of the FTHBI require policy authority from the Government of Canada. As part of the Budget 2022 commitment, CMHC was required to review and explore options to make the First Time Home Buyers Incentive program (FTHBI) more flexible and responsive to the needs of first-time home buyers.</p> <p>The 2022 review considered program performance data, survey results, and possible adjustments to house price and income limits as a part of developing enhancements to support more first-time home buyers and to increase program uptake.</p> <p>Recognizing the importance of providing advice based on the most up-to-date insights, CMHC will continue to develop and bring forward evidence-based options and advice to the Government to improve program uptake.</p>	<p>1. Update the previously completed assessment of the FTHBI program design with new evidence including material from the evaluation. The assessment will explore adjusting house price and income limits to support more first-time buyers and increase program uptake.</p> <p>2. Consider and create a plan to update Government with findings from the 2023 FTHBI Evaluation Report and discuss options at the next available opportunity.</p>	Policy	<p>Housing Programs sector:</p> <ul style="list-style-type: none"> Housing Programs — Sector Operations Housing Operations 	Q1 2024
			Policy	<p>Housing Programs sector:</p> <ul style="list-style-type: none"> Housing Programs — Sector Operations Housing Operations 	Q1 2024

Evaluation of the First Time Home Buyers Incentive (FTHBI) – Management Response and Action Plan (MRAP)

Recommendation	Management Response	Action Plan	Responsibility		Timeline
			Lead	Support	
<p>b. Developing more targeted communications and marketing.</p>	<p>We agree with this recommendation.</p>	<p>1.</p>	<p>Corporate Affairs</p>	<p>Housing Programs sector:</p> <ul style="list-style-type: none"> Housing Operations 	<p>a. Q3 2023</p>
		<p>a. The Business Line Lead will complete an Intake Form which will provide the context objective, and target audiences to be reached as part of the new communications and marketing strategy.</p>			<p>b. Q3 2023</p>
		<p>b. Once the intake form is submitted, the Communication & Marketing team can develop a C&M plan.</p>			<p>c. Q4 2023</p>
<p>Recommendation 2: Review and consider alternative approaches for using shared equity mortgages as a tool to support homeownership and propose options for improvements to the FTHBI and/or new incentive programs.</p>	<p>We agree with this recommendation.</p> <p>Different domestic and international models of shared equity mortgage programs have shown to be successful in supporting homeownership. The current design of the First Time Home Buyer Initiative considered existing shared equity models when the program was developed. CMHC will continue to explore alternative approaches to support homeownership, including shared equity mortgages to achieve our 2030 aspiration that everyone in Canada has a home they can afford and that meets their needs.</p>	<p>1. Undertake a review of shared equity models used in other housing programs around the world to examine alternative approaches and tools in this space to support homeownership. A report will summarize the findings.</p>	<p>Policy</p>	<p>Q3 2024</p>	