

SAVINGS AND
INVESTMENTS

A home for your family

Looking to buy
your first home?
The FHSA can help
make it happen.



After renting for 10 years, Thomas and Lynn want to buy a house to provide more space for their family. Making that dream a reality is not easy when you're trying to save for a down payment while covering everyday expenses. Fortunately, there's the FHSA!

beneva

People
protecting
people

The FHSA: Your fast track to homeownership

Does saving for your first home seem out of reach? The FHSA can help you get there. When used effectively, it can help your down payment grow faster thanks to its tax advantages.

Why is the FHSA so attractive?

The FHSA combines the best features of an RRSP and a TFSA. It helps reduce your taxes while you save. Withdrawals used to purchase a first home are tax-free, and you don't have to repay them.

- You can contribute up to \$8,000 per year, to a lifetime maximum of \$40,000.
- You can carry forward up to \$8,000 in unused contribution room to the following year.
- You can combine the FHSA and the HBP (Home Buyers Plan) to maximize your down payment.
- You can choose the investment option that best suits your strategy: a guaranteed interest account or an investment account.

A dream within reach in just 5 years

Thomas and Lynn dream of owning their first home. At ages 33 and 31, they have a one-year-old child. After nearly 10 years of renting, they're ready to become homeowners and have more room to grow their family.

With annual incomes of \$70,000 for Thomas and \$80,000 for Lynn, they manage to save \$12,000 per year. Despite their efforts, they realize that building a sufficient down payment remains a challenge. Their goal is therefore clear: accelerate the growth of their savings so they can achieve their homeownership plans sooner.

To make it happen, Thomas and Lynn each open an FHSA. They place their savings into their accounts to lower their taxable income. They even manage to invest their tax refunds, helping their down payment grow year after year. Once they've fully used their FHSA contribution room, they continue their strategy by contributing to an RRSP.

With a five-year time horizon, their plan allows them to take full advantage of the FHSA's tax benefits while moving ever closer to their dream of owning a home.



Five-year savings comparison table

	TFSA	FHSA	RRSP	FHSA and RRSP
Basic savings	\$60,000	\$60,000	\$60,000	\$60,000
Tax returns reinvested	None	\$20,000	\$23,200	\$23,200
Total capital invested after 5 years	\$60,000	\$80,000	\$83,200	\$83,200
Tax-free withdrawal for the purchase of a first home, with no repayment required	\$60,000	\$80,000	None	\$80,000
HBP withdrawal	None	None	\$83,200	\$3,200
Reimbursement of HBP	None	None	\$5,546 per year	\$213 per year

Why is the FHSA the right choice for Lynn and Thomas?

The FHSA turns their savings efforts into a more powerful financial tool. By combining their tax deductions with their savings, Lynn and Thomas maximize their FHSAs and can even contribute to their RRSPs. This strategy allows them to build a down payment more quickly while minimizing the amount they need to withdraw through their HBP, reducing their financial stress after purchasing their home.

For a young couple hoping to join the ranks of homeowners within five years, it's a simple and effective way to make every dollar saved work harder.

Open your FHSA today! Every dollar you contribute helps build your down payment while reducing the amount of tax you pay.